

Return To: Sunlight Federal Credit
Union

1447 Sugarland Dr
Sheridan, WY 82801

Prepared By: Sunlight Federal Credit
Union

1447 Sugarland Dr
Sheridan, WY 82801



2020-762790 10/12/2020 9:03 AM PAGE: 1 OF 10
FEES: \$39.00 SM ASSIGN OF RENTS
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

Assignment of Leases and Rents

The date of this Assignment of Leases and Rents (the "*Assignment*") is October 9, 2020.

Lender

Sunlight Federal Credit Union
1447 Sugarland Dr
Sheridan, WY 82801

Assignor

Kenneth W Hart, Trustee and Betty L Hart,
Trustee of the Kenneth W. Hart and Betty L. Hart
Living Trust, dated December 16, 2011, a/an
Wyoming Trust

Property Legal Description:

See page(s) 2

600 Kroe Lane
Sheridan, WY 82801

1. Maximum Obligation Limit. The total principal amount secured by this Assignment at any one time shall not exceed \$47,475.85. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Assignment. Also, this limitation does not apply to advances made under the terms of this Assignment to protect Lender's security and to perform any of the covenants contained in this Assignment.

2. Secured Debts and Future Advances. The term "*Secured Debts*" is defined as follows:

(A) Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions.

The promissory note signed by Kenneth W Hart and Betty L Hart (the "*Borrower*") and dated the same date as this Assignment (the "*Note*"). The Note states that Borrower owes Lender Forty seven thousand four hundred seventy-five and 85/100 Dollars (U.S. \$47,475.85) plus interest. Borrower has promised to pay this debt in regular periodic payments and to pay the debt in full not later than October 10, 2025.

(B) All future advances from Lender to Assignor or other future obligations of Assignor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Assignor in favor of Lender after this Assignment whether or not this Assignment is specifically referenced. If more than one person signs this Assignment, each Assignor agrees that this Assignment will

secure all future advances and future obligations that are given to or incurred by any one or more Assignor, or any one or more Assignor and others. All future advances and other future obligations are secured by this Assignment even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Assignment. Nothing in this Assignment shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

(C) All obligations Assignor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Assignor and Lender.

(D) All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Assignment.

This Assignment will not secure any other debt if Lender fails to give any required notice of the right of rescission.

3. Assignment of Leases and Rents. For good and valuable consideration, the receipt and sufficiency of which are acknowledged, and to secure the Secured Debts and Assignor's performance under this Assignment, Assignor does hereby assign to Lender, as additional security, all the right, title and interest in the following property (the "*Property*"):

(A) Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (the "*Leases*").

(B) Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Assignor may have regarding the Property (the "*Rents*").

(C) The term "*Property*" as used in this Assignment shall include the following described real property: A tract of land located within Lot 2 of Block 3 of the Fifth Vale Avoca Place Addition to the City of Sheridan, Sheridan County, State of Wyoming, being more particularly described as follows: Beginning at a point which bears S89°56'51"W, 25.00 feet from the Northeast corner of said Lot 2, said point also being on the South right-of-way of Montana Street; thence leaving said right-of-way S00°06'35"E, 124.98 feet to a point; thence S89°56'14"W, 55.14 feet to a point; thence N00°04'17"W, 124.99 feet to a point on the South rightof-way of Montana Street; thence following said right-of-way, N89°56'51"E, 55.05 feet to the POINT OF BEGINNING., Sheridan County, Wyoming

The Property is located at 240 E Montana Ave, Sheridan, Wyoming 82801.

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

4. Payments. Assignor agrees that all payments on the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Assignment.



5. Non-Obligated Assignor. Any Assignor who is not also a borrower on the Secured Debts or a guarantor of the Secured Debts, and who signs this Assignment, is referred to as a Non-Obligated Assignor. By signing this Assignment, the Non-Obligated Assignor does assign their rights and interests in the Property to secure payment of the Secured Debts, to create a valid lien, to pass clear title, to waive inchoate rights and to assign earnings or rights to payment under any lease or rent of the Property. However, the Non-Obligated Assignor is not personally liable for the Secured Debts by virtue of signing this Assignment. Nothing in this section shall be construed to modify or otherwise affect the Non-Obligated Assignor's obligations, if any, that were separately made with Lender in a separate agreement and duly signed by the Non-Obligated Assignor in the context of that separate agreement.

6. Collection of Rents. Assignor may collect, receive, enjoy and use the Rents so long as Assignor is not in default.

Upon default, Assignor will receive any Rents in trust for Lender and Assignor will not commingle the Rents with any other funds. When Lender so directs, Assignor will endorse and deliver any payments of Rents from the Property to Lender.

Assignor agrees that this Assignment is immediately effective between Assignor and Lender.

This Assignment will remain effective during any statutory redemption period until the Secured Debts are satisfied.

7. Expenses; Advances on Covenants; Attorneys' Fees; Collection Costs. Except when prohibited by law, Assignor agrees to pay all of Lender's expenses if Assignor breaches any covenant in this Assignment. Assignor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debts. Assignor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Assignment. This amount may include, but is not limited to, reasonable attorneys' fees, court costs, and other legal expenses. This amount does not include attorneys' fees for a salaried employee of the Lender. This Assignment shall remain in effect until released. Assignor agrees to pay for any recordation costs of such release.

8. Environmental Laws and Hazardous Substances. As used in this section, (1) "*Environmental Law*" means, without limitation, the *Comprehensive Environmental Response, Compensation and Liability Act* (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local (and District of Columbia, if applicable) laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) "*Hazardous Substance*" means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste," "hazardous substances," or "regulated substances" under any Environmental Law.

Assignor represents, warrants and agrees that:

(A) Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not



apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.

(B) Except as previously disclosed and acknowledged in writing to Lender, Assignor and every tenant have been, are, and will remain in full compliance with any applicable Environmental Law.

(C) Assignor will immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Assignor will take all necessary remedial action in accordance with any Environmental Law.

(D) Assignor will immediately notify Lender in writing as soon as Assignor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.

9. Condemnation. Assignor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Assignor authorizes Lender to intervene in Assignor's name in any of the above described actions or claims. Assignor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Assignment. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, deed to secure debt, security agreement or other lien document.

10. ☒ Due On Sale or Encumbrance. Unless this Assignment secures a guaranty, or is executed in connection with an indemnity deed of trust, or the Secured Debts are assumable, Lender may, at its option, declare the entire balance of the Secured Debts to be due and payable upon the creation of, or contract for the creation of, any transfer or sale of, or any lien or encumbrance on, all or any part of the Property. But if the Property is a home occupied by the borrower on the Secured Debts, then Lender will not exercise that option by reason of the creation of a junior lien on the Property, or upon any other transfer as to which such exercise is not permitted by law. This right is otherwise subject to the restrictions imposed by federal law, as applicable.

11. ☐ Assumptions. Subject to conditions and Lender's written consent, someone buying the Property may be allowed to assume this Assignment. Without written consent, Lender may, at its option, declare the entire balance of the Secured Debts to be due and payable upon the creation of, or contract for the creation of, any transfer or sale of, or any lien or encumbrance on, all or any part of the Property. But if the Property is a home occupied by the borrower on the Secured Debts, then Lender will not exercise that option by reason of the creation of a junior lien on the Property, or upon any other transfer as to which such exercise is not permitted by law. This right is otherwise subject to the restrictions imposed by federal law, as applicable.

12. No Transfers. If this Assignment is executed in connection with an indemnity deed of trust, or if this Assignment secures a guaranty, then Assignor shall not, without the approval of Lender, make, permit or suffer the creation of, or contract for the creation of, a transfer or sale of all or any part of the Property subject to the restrictions imposed by federal law governing the preemption of state due on sale laws, as applicable.

13. Warranties and Representations. Assignor makes to Lender the following warranties and representations which will continue as long as this Assignment is in effect:



(A) Power. Assignor is duly organized, and validly existing and in good standing in all jurisdictions in which Assignor operates. Assignor has the power and authority to enter into this transaction and to carry on Assignor's business or activity as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Assignor operates.

(B) Authority. The execution, delivery and performance of this Assignment and the obligation evidenced by this Assignment are within Assignor's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Assignor is a party or to which Assignor is or any of Assignor's property is subject.

(C) Title. Assignor has good title to the Leases, Rents and Property and the right to assign to Lender the Leases and Rents, and no other person has any right in the Leases and Rents.

(D) Recordation. Assignor has recorded the Leases as required by law or as otherwise prudent for the type and use of the Property.

(E) Default. No default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Assignor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Assignor or any party to the Lease defaults or fails to observe any applicable law, Assignor will promptly notify Lender.

(F) Lease Modification. Assignor has not sublet, modified, extended, canceled, or otherwise altered the Leases, or accepted the surrender of the Property covered by the Leases (unless the Leases so require).

(G) Encumbrance. Assignor has not assigned, compromised, subordinated or encumbered the Leases and Rents.

14. Covenants. Assignor agrees to the following covenants:

(A) Rent Abatement and Insurance. When any Lease provides for an abatement of Rents due to fire, flood or other casualty, Assignor will insure against this risk of loss with a policy satisfactory to Lender. Assignor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

(B) Copies of Leases. Assignor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed.

(C) Right to Rents. After default and Lender taking the appropriate affirmative action, Assignor will notify all current and future tenants and others obligated under the Leases of Lender's right to the Leases and Rents.

(D) Lease Modification. Assignor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's written consent.

(E) Encumbrance. Assignor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent.



(F) Future Leases. Assignor will not enter into any future Leases without prior written consent from Lender. Assignor will execute and deliver such further assurances and assignments as to these future Leases as Lender requires from time to time.

(G) Personal Property. Assignor will not sell or remove any personal property on the Property, unless Assignor replaces this personal property with like kind for the same or better value.

(H) Prosecution and Defense of Claims. Assignor will appear in and prosecute its claims or defend its title to the Leases and Rents against any claims that would impair Assignor's interest under this Assignment and, on Lender's request, Assignor will also appear in any action or proceeding on behalf of Lender. Assignor agrees to assign to Lender, as requested by Lender, any right, claims or defenses which Assignor may have against parties who supply labor or materials to improve or maintain the leaseholds subject to the Leases and/or the Property.

(I) Liability and Indemnification. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses or damages due to Lender's gross negligence or intentional torts. Otherwise, Assignor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

(J) Leasehold Estate. Assignor will not cause or permit the leasehold estate under the Leases to merge with Assignor's reversionary interest, and agrees that the Leases shall remain in full force and effect regardless of any merger of the Assignor's interests and of any merger of the interests of Assignor and any party obligated under the Leases.

(K) Insolvency. Lender will be the creditor of each tenant and of anyone else obligated under the Leases who is subject to an assignment for the benefit of creditors, an insolvency, a dissolution or a receivership proceeding, or a bankruptcy.

15. Default. Assignor will be in default if any of the following events (known separately and collectively as an "*Event of Default*") occur, except as restricted by applicable law.

Any Borrower is in default under any promissory note or other agreement that evidences any of the Secured Debts.

A default shall have occurred under any mortgage, deed of trust or other assignment that is a lien on the Property.

16. Remedies. After Assignor defaults, and after Lender gives any legally required notice and opportunity to cure the default, Lender may at Lender's option do any one or more of the following:

(A) Acceleration. Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due.

(B) Additional Security. Lender may demand additional security or additional parties to be obligated to pay the Secured Debts.

(C) Sources. Lender may use any and all remedies Lender has under Wyoming or federal law or in any document relating to the Secured Debts.

(D) Insurance Benefits. Lender may make a claim for any and all insurance benefits or refunds that may be available on Assignor's default.



(E) Payments Made On Assignor's Behalf. Amounts advanced on Assignor's behalf will be immediately due and may be added to the Secured Debts.

(F) Rents. Lender may terminate Assignor's right to collect Rents and directly collect and retain Rents in Lender's name without taking possession of the Property and to demand, collect, receive, and sue for the Rents, giving proper receipts and releases. In addition, after deducting all reasonable expenses of collection from any collected and retained Rents, Lender may apply the balance as provided for by the Secured Debts.

(G) Entry. Lender may enter, take possession, manage and operate all or any part of the Property; make, modify, enforce or cancel or accept the surrender of any Leases; obtain or evict any tenants or licensees; increase or reduce Rents; decorate, clean and make repairs or do any other act or incur any other cost Lender deems proper to protect the Property as fully as Assignor could do. Any funds collected from the operation of the Property may be applied in such order as Lender may deem proper, including, but not limited to, payment of the following: operating expenses, management, brokerage, attorneys' and accountants' fees, the Secured Debts, and toward the maintenance of reserves for repair or replacement. Lender may take such action without regard to the adequacy of the security, with or without any action or proceeding, through any person or agent, or receiver to be appointed by a court, and irrespective of Assignor's possession.

The collection and application of the Rents or the entry upon and taking possession of the Property as set out in this section shall not cure or waive any notice of default under the Secured Debts, this Assignment, or invalidate any act pursuant to such notice. The enforcement of such remedy by Lender, once exercised, shall continue for so long as Lender shall elect, notwithstanding that such collection and application of Rents may have cured the original default.

(H) Waiver. Except as otherwise required by law, by choosing any one or more of these remedies Lender does not give up any other remedy. Lender does not waive a default if Lender chooses not to use a remedy. By electing not to use any remedy, Lender does not waive Lender's right to later consider the event a default and to use any remedies if the default continues or occurs again.

17. Term. This Assignment will remain in full force and effect until the Secured Debts are paid or otherwise discharged and Lender is no longer obligated to advance funds under any loan or credit agreement which is a part of the Secured Debts. If any or all payments of the Secured Debts are subsequently invalidated, declared void or voidable, or set aside and are required to be repaid to a trustee, custodian, receiver or any other party under any bankruptcy act or other state or federal law, then the Secured Debts will be revived and will continue in full force and effect as if this payment had not been made.

18. Waivers. Except to the extent prohibited by law, Assignor waives all homestead exemption rights relating to the Property.

19. Other Terms. The following are applicable to this Assignment:

(A) ☐ Construction Loan. This Assignment secures an obligation created for the construction of an improvement on the Property.

(B) No Action By Lender. Nothing contained in this Assignment shall require Lender to take any action.



(C) ☐ **Riders.** The covenants and agreements of the following rider(s) are incorporated into and supplement and amend the terms of this Assignment. _____

20. Miscellaneous.

(A) ☐ **Additional Terms.** _____

21. Applicable Law. This Assignment is governed by the laws of Wyoming, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

22. Joint and Individual Liability and Successors. Each Assignor's obligations under this Assignment are independent of the obligations of any other Assignor. Lender may sue each Assignor individually or together with any other Assignor. Lender may release any part of the Property and Assignor will still be obligated under this Assignment for the remaining Property. Assignor agrees that Lender and any party to this Assignment may extend, modify or make any change in the terms of this Assignment or any evidence of debt without Assignor's consent. Such a change will not release Assignor from the terms of this Assignment. Lender may assign all or part of Lender's rights under this Assignment without Assignor's consent. If Lender assigns this Assignment, all of Assignor's covenants, agreements, representations and warranties contained in this Assignment will benefit Lender's successors and assigns. The duties of this Assignment will bind the successors and assigns of Assignor.

23. Amendment, Integration and Severability. This Assignment may not be amended or modified by oral agreement. No amendment or modification of this Assignment is effective unless made in writing and executed by Assignor and Lender. This Assignment and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Assignment is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

24. Interpretation. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Assignment.

25. Notice, Additional Documents and Recording Fees. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed at the beginning of this document, or to any other address designated in writing. Notice to one Assignor will be deemed to be notice to all Assignors. Assignor will inform Lender in writing of any change in Assignor's name, address or other application information. Assignor will provide Lender any other correct and complete information Lender requests to effectively mortgage or convey the Property. Assignor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Assignment. Assignor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Assignor's obligations under this Assignment and to confirm Lender's lien status on any Property, and Assignor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

Signatures. By signing, Assignor agrees to the terms and covenants contained in this Assignment. Assignor also acknowledges receipt of a copy of this Assignment.

Assignor

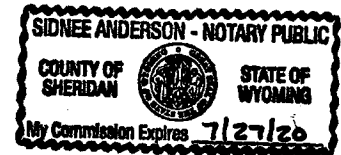
Kenneth W Hart 10-09-2020
Kenneth W Hart, Trustee of the Date
Kenneth W. Hart and Betty L. Hart
Living Trust, under trust instrument
dated December 16, 2011

Betty L Hart 10-9-20
Betty L Hart, Trustee of the Kenneth Date
W. Hart and Betty L. Hart Living
Trust, under trust instrument dated
December 16, 2011

Lender

Sunlight Federal Credit Union
a/an Wyoming Credit Union

Ed H 10-9-2020
Date



Acknowledgment

State of Wyoming

County of Sheridan

This instrument was acknowledged before me on October 9th, 2020 by Kenneth W Hart, Trustee of the Kenneth W. Hart and Betty L. Hart Living Trust, under trust instrument dated December 16, 2011 on behalf of the Trust.

Sidnee Anderson
Notary Public

Sidnee Anderson
(Print Name)

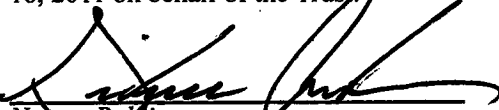
My commission expires: July 27th, 2024

Acknowledgment

State of Wyoming

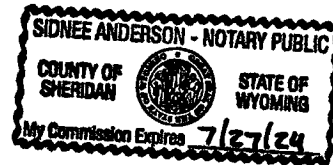
County of Sheridan

This instrument was acknowledged before me on October 9th, 2020 by Betty L Hart,
Trustee of the Kenneth W. Hart and Betty L. Hart Living Trust, under trust instrument dated December
16, 2011 on behalf of the Trust.


Notary Public

Sidnee Anderson
(Print Name)

My commission expires: July 27th, 2024

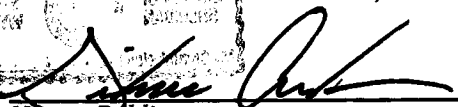


Acknowledgment

State of Wyoming

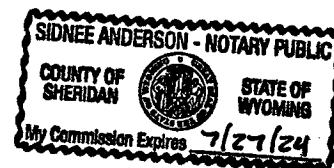
County of Sheridan

This instrument was acknowledged before me on October 9th, 2024 by _____
of Sunlight Federal Credit Union.


Notary Public

Sidnee Anderson
(Print Name)

My commission expires: July 27th, 2024



Loan Origination Organization: Sunlight Federal Credit
Union

NMLS ID: 401939

Loan Originator: Erik Hulbert

NMLS ID: 1781981