

MORTGAGE DEED

R. LEROY MALLI and KRISTINE E. MALLI, husband and wife, Mortgagor, of Sheridan County, Wyoming, to secure the payment of that certain Promissory Note dated May 1, 2017, in the principal amount of **ONE HUNDRED FORTY-SIX THOUSAND FOUR HUNDRED SIX AND NO/100 DOLLARS (\$146,406.00)**, with interest thereon at the rate of 4.5% per annum, hereby mortgages and warrants to **RILEY L. MALLI and MARY LOU A. MALLI**, husband and wife as joint tenants with rights of survivorship, Mortgagees, whose mailing address is PO Box 2, Arvada, Wyoming 82831, the following-described real estate situate in the County of Sheridan, State of Wyoming, to-wit:

Township 54 North, Range 76 West, 6th P.M., Sheridan County, Wyoming
Section 19: Lots 2, 3, 4, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 54 North, Range 77 West, 6th P.M., Sheridan County, Wyoming
Section 23: S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$
Section 24: NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$,
SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$,
NE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$
Section 25: NE $\frac{1}{4}$ NE $\frac{1}{4}$

EXCEPTING AND RESERVING to the Grantors, for their lifetimes and their lifetimes only, the possession and use of all dwellings situate on the above-described property. Upon the expiration of the Grantors' natural lives, the possession and use of said dwellings shall revert to the Grantee.

EXCEPTING AND RESERVING to the Grantors, their successors and assigns, all oil, gas, coal, and other minerals, but not including sand, gravel, or aggregate in or on the above-described lands, presently owned by Grantors, together with the right to enter upon said lands and explore for and remove said oil, gas, coal and other minerals provided the owner of the surface is reasonably compensated for damage done thereto.

TOGETHER WITH all improvements situate thereon and all easements and appurtenances thereunto belonging;

SUBJECT TO all easements, reservations, covenants and restrictions, if any, of record; and,

FURTHER SUBJECT TO discrepancies, conflicts in boundary lines, shortages in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown in the public records.

Mortgagor agrees to pay the indebtedness according to the terms of said Promissory Note, and, during the life of this Mortgage, to pay all taxes and assessments on the premises and to keep the improvements thereon insured against fire and other hazards in a sum not less than the unpaid principal balance by such insurance as Mortgagees may approve, with the proceeds thereof made payable to Mortgagees. If Mortgagor fails to pay such taxes or assessments or fails to keep the premises insured, Mortgagees may pay the same and may insure the premises, and all sums paid by Mortgagees for such purposes shall be added to and considered as a part of the indebtedness and shall draw interest at the same rate.

If default occurs in the payment of the indebtedness or in the payment of any installment thereof, or if default occurs in any of the covenants and agreements hereof, and said default is not cured after a date specified by a written notice to the Mortgagor, then the whole indebtedness shall, at Mortgagees' option, become due and payable forthwith, and Mortgagees may foreclose this mortgage either by advertisement and sale of the premises as provided by statute, or by an action in equity. The date specified in such written notice shall not be less than thirty (30) days from the date such notice is mailed. Out of the proceeds of any foreclosure sale, Mortgagees shall retain or receive all sums due hereunder, and costs of foreclosure and sale, including reasonable attorney's fees, the same to be taxed as costs in any equitable action brought to foreclose this Mortgage. If any portion of the indebtedness is not satisfied by the sale of the premises pursuant to advertisement and sale or court decree, the Mortgagees may obtain a judgment against the

Mortgagor on that portion of the indebtedness not satisfied by the sale of the property. All remedies provided in this Mortgage shall be cumulative and in addition to every other remedy afforded by law or in equity or by statute to the Mortgagees. The Mortgagees shall be entitled to collect all reasonable costs and expenses, including reasonable attorney's fees, incurred in pursuing the remedies provided in this mortgage or afforded by law.

To fully assure Mortgagees the benefit of the security interest in the premises granted hereunder, Mortgagor hereby assigns to Mortgagees all rents hereafter payable for the use and occupancy of the premises by any person in possession thereof with Mortgagor's consent. If default occurs in any of the covenants and agreements herein contained, whether or not Mortgagees elect to foreclose this mortgage on account thereof, Mortgagees shall at once be entitled, and are hereby authorized to collect the rents from the premises and to apply the same to the payment of the indebtedness secured hereby until such default is remedied.

In the event of foreclosure of this Mortgage upon default, Mortgagees shall be entitled to the possession and enjoyment of the premises and the incident rents, issues and profits thereof from the time of such default and for and during the pendency of foreclosure proceedings and the period of redemption, if any. If Mortgagor should fail to surrender such possession to Mortgagees promptly upon their request therefor, Mortgagees may compel delivery thereof by an ejectment action or other civil proceeding appropriate to that purpose. Furthermore, and in addition to the remedies otherwise provided for in this Mortgage and by law, and as a matter of right, without regard to the solvency or insolvency of Mortgagor, the value of the premises, or the sufficiency thereof to discharge the indebtedness and costs of foreclosure and sale, Mortgagees shall be entitled to a receiver for the premises and the rents, issues and profits thereof from the time of default to the expiration of any redemptive period provided by law. Such receiver may be appointed by any court of competent jurisdiction upon ex parte application, without notice, notice being hereby consented to by Mortgagor.

If all or any part of the premises or any interest in it is sold or transferred without Mortgagees' prior written consent, Mortgagees may, at their option, require immediate payment in full of all sums secured by this Mortgage.

If Mortgagees exercise this option, Mortgagees shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered, transmitted by facsimile machine or mailed, within which Mortgagor must pay all sums secured by this Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Mortgagees may invoke any remedies permitted by this security instrument without further notice or demand on Mortgagor.

Hereby releasing and waiving all rights under and by virtue of the homestead exemption laws of the State of Wyoming.

WITNESS MY HAND this 8th day of May, 2017.

R. Leroy Melli
R. LEROY MALLI

Kristine E. Melli
KRISTINE E. MALLI

STATE OF WYOMING)
) ss.
County of JOHNSON)

The foregoing instrument was acknowledged before me by R. LEROY MALLI and KRISTINE E. MALLI this 8th day of May, 2017.

Witness my hand and official seal.

Ashley L. Engen
Notary Public

My Commission Expires: 5/7/2019

