

**First Mortgage**

This mortgage is entered into by **Nathan Adsit**, whose address is 541 E. Burkitt, Sheridan WY 82801 (referred to herein as "Mortgagor") and **Virginia L. Adsit**, dba Honey Bee Investments, whose address is 5461 Coffeen Ave., Sheridan, WY 82801 (herein referred to as "Mortgagee").

1. **Mortgage.** For good and valuable consideration, the receipt of which is hereby acknowledged, Mortgagor does hereby mortgage and warrant to Mortgagee, its successors and assigns, with power of sale, the following described property situate in Sheridan County, Wyoming which is hereafter referred to as the "Mortgaged Property":

The West 24 feet of Lot 2 of the Subdivision of Lots 8, 9, 10 and 11, Block 4, Palmer's Addition to the Town, now City of Sheridan, Sheridan County, Wyoming.

The street address of the property is 541 E. Burkitt, Sheridan, WY 82801.

Together with all existing or subsequently erected or affixed buildings, improvements, fixtures and appurtenances located on said lands; all easements, rights of way and appurtenances; all privileges, hereditaments and appurtenances belonging to said lands or in any way pertaining thereto.

2. **Secured Obligation.** This Mortgage is given in order to secure (a) the payment of a Promissory Note, of even date herewith, executed by Mortgagor and payable to Mortgagee in the principal amount of Seventy Five Thousand dollars (\$75,000.00), together with interest on the said principal sum, or the balance thereof remaining unpaid at any payment date, at the rate of five percent (5%) per annum and any extensions or renewals or modifications thereof; and (b) the performance of Mortgagor's promises under this Mortgage between the parties.

3. **General Representations and Warranties.** Mortgagor represents, promises and warrants to Mortgagee as follows:

- a. Mortgagor is the lawful owner of and has good and marketable title to the Mortgaged Property and has full power and authority to execute this Mortgage and to mortgage to the Mortgagee the Mortgaged Property and to grant to the Mortgagee a first lien on the Mortgaged Property, and Mortgagor will defend the title to the Mortgaged Property against all claims and demands whatsoever.
- b. The execution and delivery of this Mortgage has been duly authorized by all necessary action, and upon execution and delivery of this Mortgage, the Mortgage will be binding upon the Mortgagor according to its terms and conditions.
- c. Upon recording of this Mortgage, Mortgagee will have a first mortgage lien on the Mortgaged Property.
- d. All obligations which Mortgagor may have incurred in connection with the Mortgaged Property are current and not in default.
- e. There is no provision in any agreement to which Mortgagor is a party or by which it is bound or in any order of any court or administrative agency to which Mortgagor is subject which prohibits the execution and delivery by Mortgagor of this Mortgage, or the performance or observance by Mortgagor of any of the terms or conditions of this Mortgage.
- f. Mortgagor is not in default in the payment of any indebtedness for borrowed money and is not in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued, and no event has occurred under any such instrument or agreement which with or without the lapse of time or by the giving of notice, or by both, would constitute an event of default thereunder.
- g. There is legally enforceable unrestricted access to all of the Mortgaged Property.

4. **Mortgagor's Obligations.** Mortgagor shall:

- a. Pay the Promissory Note secured by this Mortgage when and as due and perform all of Mortgagor's obligations under this Mortgage and the Promissory Note.
- b. Keep and maintain the Mortgaged Property in good condition and repair, utilize all water rights, if any, and not commit any waste on the Mortgaged Property; provided, however,

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this provision shall not require the Mortgagor to make any improvements or repair any structures existing on the property.

- c. Occupy and operate the Mortgaged Property in a good and husbandmanlike manner, and not in violation of any applicable federal, state or local laws, statutes, rules or regulations;
  - d. Pay promptly as and when due and payable, all expenses incurred in or arising from the operation, maintenance, occupation, inspection, protection, repair, replacement, or change of or to the Mortgaged Property;
  - e. Pay promptly as and when due and payable all assessments and governmental charges legally imposed upon the Mortgaged Property, before delinquency;
  - f. Pay all taxes and assessments upon this Mortgage and the indebtedness secured thereby, together with any other taxes and assessments which may be levied or assessed under the laws of Wyoming against the Mortgaged Property;
  - g. Except as otherwise set forth herein, keep the Mortgaged Property free and clear of all liens, charges and encumbrances of every character, kind and nature whatsoever, other than taxes constituting liens but not yet due and payable and those consented to in writing by Mortgagee;
  - h. Procure and at all times maintain an insurance policy or policies providing coverage in an amount satisfactory to cover and insure all buildings, fixtures and improvements now existing or hereafter erected or placed upon the Mortgaged Property and insuring against the perils of fire, lightning, tornado, earthquake, explosion, extended coverage, vandalism and malicious mischief, and deliver evidence of such policies to the Mortgagee. Each policy shall provide that the insurer will not cancel, refuse to renew, or materially modify the policy without giving at least ten (10) days advance written notice to Mortgagor. Each such policy shall provide that losses may be payable to Mortgagee to the extent of its interest. Upon request, Mortgagor shall provide a copy of said policies to Mortgagee. In the event of loss, Mortgagor shall give immediate notice to Mortgagee which may, but shall have no obligation to do so, make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Mortgagee instead of to Mortgagor and Mortgagee jointly. Mortgagee is hereby given full power to settle or to compromise any claims, and the insurance proceeds or any part thereof may be applied by Mortgagee, at its option, to reduce the indebtedness secured hereby (whether or not then due) or to restore or repair the property damaged. If Mortgagor fails to secure and maintain any of such insurance coverage as provided in this paragraph, Mortgagee may procure such insurance on Mortgagor's behalf, and at Mortgagor's sole cost and expense, in favor of Mortgagee alone. The coverages and amounts of insurance herein provided to be secured and maintained by Mortgagor are for the protection of Mortgagee's interest and Mortgagor is free to secure such additional insurance coverage relating to the Mortgaged Property as Mortgagor may in its sole discretion determine to be advisable.
  - i. Comply at all times with all laws, ordinances, regulations, covenants and restrictions in any manner affecting the Mortgaged Property;
  - j. Allow the Mortgagee to inspect the Mortgaged Property at reasonable times agreed to by the Mortgagor and Mortgagee with at least ten (10) days prior written request submitted by the Mortgagee.
5. **Environmental Warranty.** Mortgagor represents, warrants and agrees to furnish Mortgagee on request evidence that, subsequent to Mortgagor taking possession and ownership of the Mortgaged Property, the following conditions or activities have not occurred:
- a. No portion of the Mortgaged Property has been used for the production, release, storage or disposal of hazardous or toxic wastes, substances, or materials by the Mortgagor after Mortgagor has taken possession and ownership of the Mortgaged Property.
  - b. Neither Mortgagor nor any tenant or other person using or occupying the Mortgaged Property will generate, store, handle or otherwise deal with hazardous or toxic wastes, substances, or material on the Mortgaged Property after Mortgagor has taken possession and ownership of the Mortgaged Property.

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- c. Those pesticides, herbicides and other agricultural chemicals customarily used in agricultural operations of the type currently conducted on the Mortgaged Property shall be used in accordance with all applicable laws and regulations.
  - d. If this Mortgage is foreclosed, Mortgagor shall remove, to the satisfaction of Mortgagee, all petroleum hazardous wastes, hazardous substances, and toxic substances from the Mortgaged Property (including soil and ground water) which were caused or created by the Mortgagor after Mortgagor took possession and ownership of the Mortgaged Property.
  - e. During the term of this Mortgage, Mortgagor will deliver to Mortgagee:
    - 1. Copies of any documents received from the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning operations upon the premises and
    - 2. Copies of any documents submitted by Mortgagor to the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning its operation on the premises.
  - f. Mortgagor shall indemnify, defend and hold harmless Mortgagee, its officers, directors, employees, agents, subsidiaries and affiliated companies from all fines, judgments, penalties, costs, suits, procedures, liabilities, claims and actions of any kind arising out of or in any way connected with any spills or discharges of hazardous or toxic substances, materials, or wastes or petroleum products at or on the Mortgaged Property which occur subsequent to Mortgagor taking possession and ownership of the Mortgaged Property. The obligations and liabilities of Mortgagor under this paragraph shall continue so long as the Mortgagee might be held responsible for any spills or discharges of such waste, materials, substances, or petroleum products which occur subsequent to Mortgagor taking possession and ownership of the Mortgaged Property.
  - g. The obligations and liabilities of Mortgagor under this paragraph shall survive any foreclosure of this Mortgage or deed given in lieu of foreclosure. Failure of the Mortgagor to abide by the terms of this paragraph may be restrained by injunction.
6. **Transfer of Ownership.** If the Mortgaged Property, or any portion thereof, or any interest therein, is sold, mortgaged, or conveyed or becomes subject to any agreement to sell, mortgage, or convey before the time the indebtedness secured hereby shall have been paid in full, then the entire indebtedness secured by this Mortgage shall at the option of the Mortgagee become due and payable.
7. **Default and Remedies.** Time is of the essence. If the indebtedness secured by this Mortgage is not paid when due or is otherwise in default and such default continues for five (5) days, or if there is a default under the terms of this Mortgage, then Mortgagee shall have the following rights and remedies in addition to any other rights and remedies available to Mortgagee at law or in equity:
- a. To declare the indebtedness secured by this Mortgage to be immediately due and payable and to foreclose the Mortgage to satisfy the amount of the debt, including advances, interest and costs.
  - b. To sell the Mortgaged Property under power of sale in accordance with the laws of the State of Wyoming then in force.
  - c. To commence a suit or suits in equity or at law, whether for a foreclosure hereunder or for the sale of the Mortgaged Property, or for the recovery of a deficiency judgment or for the specific performance of this Mortgage or in the aid of the execution of any power of sale herein granted, or for the enforcement of any other appropriate legal or equitable remedy;
  - d. To sell, to the extent permitted by law, at one or more sales, as an entirety or in parcels, as the Mortgagee may elect, the real property constituting a part of the Mortgaged Property, at such place or places and otherwise in such manner and upon such notice as may be required by law, or, in the absence of any such requirements, as the Mortgagee may deem appropriate, and make conveyances to the purchaser or purchasers;
  - e. At the Mortgagee's election, to treat the fixtures constituting a part of the Mortgaged Property as either real property collateral or personal property collateral and proceed to exercise such rights and remedies as apply to such type of collateral;

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- f. To enter upon and take immediate possession of any of the Mortgaged Property and to exclude the Mortgagor and the Mortgagor's agents or employees, wholly therefrom, and to use, hold, administer, manage and operate the same to the extent that the Mortgagor shall be at the time entitled and in its place and stead, and to operate the same without any liability to the Mortgagor in connection with such operations, except to use ordinary care in the operation of such properties, and to collect, receive and receipt for all revenues, proceeds, rents, profits and issues generated by the Mortgaged Property, to make repairs, to purchase machinery and equipment, and to exercise every power, right and privilege of the Mortgagor with respect to the Mortgaged Property;
- g. At any time from and after commencement of an action to foreclose this Mortgage, to have a receiver for the Mortgaged Property appointed which appointment may be made either before or after any foreclosure sale, without regard to the sufficiency of the security to discharge the obligations secured by this Mortgage which receiver shall have the power to take and hold possession of the Mortgaged Property, and to hold, use, administer, manage and operate the same to the extent that the Mortgagor shall be at the time entitled and in its place and stead and shall have the right to collect, receive and receipt for all revenues, proceeds, rents, profits and issues generated by the Mortgaged Property. Mortgagor consents to the appointment of a receiver upon the showing of default without other evidence being required; and
- h. To exercise and enforce any and all other rights or remedies available to the Mortgagee in equity, at law, by the agreement or otherwise.

The Mortgagor shall reimburse the Mortgagee upon demand for all costs and expenses incurred by the Mortgagee in protecting and enforcing the Mortgagee's rights and remedies under this Mortgage, including court costs and attorney's fees.

- 9. **Defense of Mortgage.** If any action or proceeding is commenced by any person other than the Mortgagee, to which action or proceeding the Mortgagee is made a party, whether in law or in equity, and including condemnation and bankruptcy proceedings or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by the Mortgagee for the expense of any such litigation to prosecute or defend the rights and liens created by this Mortgage, including reasonable attorney's fees, shall be paid by the Mortgagor. Any such sum and the interest thereon shall be a lien on the Mortgaged Property prior to any right, title or interest in or claim upon the premises attaching or accruing subsequent to the lien of this Mortgage and shall be added to the principal amount intended to be secured by this Mortgage.
- 10. **Mortgagee's Right to Perform.** If Mortgagor fails to make any payment or to do any act, or to perform any obligation required by this Mortgage, then the Mortgagee without notice to or demand upon the Mortgagor and without waiving or releasing any obligation or breach or default, may (but shall not be under any obligation to) at any time thereafter make, do, pay or perform the same in such manner and to such extent as Mortgagee in its sole discretion deems reasonably necessary or desirable to protect its security or to protect any other legitimate interest of the Mortgagee. The Mortgagee for such purposes is authorized to enter in or upon the Mortgaged Property at all reasonable times and places and to commence, appear in, or defend any action or proceeding purporting to affect its security. All such sums so paid by the Mortgagee and all costs and expenses (including without limitation, attorney's fees and court costs) so incurred shall be secured by this Mortgage and shall be paid by the Mortgagor to the Mortgagee on demand. Mortgagor waives and releases all claims or causes of action which may hereafter arise in its favor against Mortgagee as a result of Mortgagee taking any reasonable and necessary actions under this paragraph. Mortgagor shall make no claim or demand upon Mortgagee and shall initiate no proceeding against Mortgagee by reason of any action taken by Mortgagee pursuant to the authority granted in this paragraph.
- 11. **Impairment of Rights.** No failure or delay by the Mortgagee to insist upon the strict performance of any term, condition, covenant or agreement of this Mortgage or to exercise any right, power or remedy under this Mortgage shall constitute a waiver of any such term, condition, covenant, agreement, right, power or remedy or of any such breach or preclude the Mortgagee from exercising any such right, power or remedy at any later time or times.

Without affecting the liability of any person obligated to pay the indebtedness secured hereby, the parties to this Mortgage may mutually, from time to time and with notice, in writing, and without regard to the consideration, if any paid therefor and notwithstanding the existence at that time of any inferior liens thereon: (a) release any person liable for the payment of any of the indebtedness secured hereby, (b) extend the time or otherwise alter the terms of payment of the indebtedness

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secured hereby, (c) alter, substitute or release any property or collateral securing said indebtedness, or (d) accept any additional security or resort to any security in such order as Mortgagee may determine.

The taking of any additional security, execution of partial releases of security, or any extension of the time of payment of the indebtedness secured by this Mortgage or renewal of the indebtedness secured by this Mortgage shall not diminish the force, effect or lien of this Mortgage and shall not affect or impair the liability of any maker, surety, guarantor or endorser for the payment of said indebtedness. The Mortgagee shall have the right to release with or without consideration or credit on the indebtedness hereby secured any part of the Mortgaged Property without regard to the existence of any junior encumbrance and without the consent of any junior encumbrancer, and such release shall have no effect upon the priority, lien or estate conveyed in this Mortgage.

12. **Release.** Upon payment in full of the indebtedness secured by this Mortgage and upon full performance by Mortgagor of all duties and obligations under this Mortgage and any other document executed by Mortgagor in connection with the Mortgage, the Mortgagee shall release this Mortgage without recourse or warranty at the cost and expense of the Mortgagor.
13. **Costs and Expenses.** Mortgagor will pay all costs and expenses, including reasonable attorney's fees, incurred by Mortgagee in enforcing this Mortgage or any rights of the Mortgagee under this Mortgage.
14. **Eminent Domain.** If all or any part of the Mortgaged Property is subjected to eminent domain proceedings or is condemned, Mortgagee may at its election require that all or any portion of the proceeds of the eminent domain or condemnation award be applied to the indebtedness secured by this Mortgage. Mortgagor shall immediately notify Mortgagee of the actual or threatened commencement of any condemnation or eminent domain proceedings affecting the Mortgaged Property. Mortgagor will assign to Mortgagee any award for the property taken and for damages to remaining property in connection with an actual or threatened condemnation or eminent domain proceeding, whether fully adjudicated or settled. If the Mortgagee elects to apply the proceeds of the award from the condemnation or eminent domain proceeding to the indebtedness secured hereby, Mortgagee may elect to apply that indebtedness against the payments in inverse order of maturity. Mortgagee shall have full authority to intervene in any condemnation or eminent domain proceeding in the name of the Mortgagor and to settle, collect and receive any award from the condemning authorities. Any condemning authority is authorized and directed to make payment directly to Mortgagee. Any expenses incurred by Mortgagee in intervening in or participating in any condemnation or eminent domain proceeding shall be reimbursed to Mortgagee first out of the proceeds. If the proceeds are applied to restoration and repair of the Mortgaged Property, the restoration or repair shall be pursuant to plans and specifications approved by Mortgagee, and the proceeds may be disbursed by Mortgagee under such safeguards as Mortgagee may reasonably require to assure completion in accordance with such plans and specifications.
15. **Application of Payments.** Except as otherwise provided by law, all payments made to Mortgagee and any amounts applied to the indebtedness secured hereby shall be applied to the various amounts secured hereby in any order Mortgagee may determine.
16. **Non-Waiver.** The entering upon and taking possession of the Mortgaged Property, the collection of rents, issues, royalties, profits, proceeds of insurance or condemnation or eminent domain awards and the application thereof to the indebtedness hereby secured shall not cure or waive any default or notice of default or invalidate any act done pursuant to such notice or extend or postpone the due date of any payment secured hereby.
17. **Homestead Exemption.** Mortgagor releases and waives all rights and benefits of the homestead exemption laws of the State of Wyoming.
18. **Successors and Assigns.** This Mortgage shall be binding upon the successors and assigns of the parties.
19. **Governing Law.** This Mortgage shall be governed by and construed in accordance with the laws of the State of Wyoming.
20. **Severability.** If a court of competent jurisdiction finds any provisions of this Mortgage to be invalid or unenforceable, then any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; provided, however, if the offending provision cannot

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**2019-748622** 3/11/2019 11:23 AM PAGE: 6 OF 6  
BOOK: 998 PAGE: 420 FEES: \$27.00 MFP MORTGAGE  
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

Dated this 8 day of March, 2019.

Nathan Adsit  
Nathan Adsit

STATE OF WY }  
COUNTY OF Sheridan } ss.

The foregoing instrument was acknowledged before me by Nathan Adsit. this March, 8, 2019

Witness my hand and official seal.

[Signature]  
Notary Public

My commission expires 5-13-2022



**NO. 2019-748622 MORTGAGE**

EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK  
WILCOX AGENCY  
SHERIDAN WY 82801