



BANK OF THE WEST
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RETURN TO:
DRI Title & Escrow

Prepared by and return to: 13057 W. Center Rd., Ste #1
Laura Herron, NMLS#1711758 Omaha, NE 68144
Bank of the West, NMLS# 19116
Loss Mitigation Department
13505 CALIFORNIA ST, NE-BBP-02-I
OMAHA, NE 68154
866-377-3970

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FHA Case No. 5911362036703

PARTIAL CLAIM MORTGAGE

THIS SUBORDINATE MORTGAGE ("Security Instrument") is given on **May 15, 2018**. The mortgagor is **Jamie P Kelly and Greta Knapp**, whose address is **328 E Heald Street Sheridan, WY 82801** (whether one or more, collectively "Borrower"). This Security Instrument is given to the Secretary of Housing and Urban Development, and whose address is **451 Seventh Street, SW, Washington, DC 20410** ("Lender"). Borrower owes Lender the principal sum of **Fifty-Two Thousand Seven Hundred Ninety-Six Dollars and 81/100 (U.S. \$52,796.81)**. This debt is evidenced by Borrower's Promissory Note dated the same date as this Security Instrument ("Note"), which provides for the full debt, if not paid earlier as required by the Note, to be due and payable on **May 1, 2048**. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, advanced under Paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, warrant, grant, and convey to Lender, with the power of sale, the following described property located in **Sheridan County, Wyoming**:

THE EAST 67 FEET OF LOT 14, AND THE EAST 67 FEET OF THE NORTH 20 FEET OF LOT 13, OF BLOCK 23, COFFEEN ADDITION TO THE TOWN, NOW CITY OF SHERIDAN, SHERIDAN COUNTY, WYOMING.

which has the address of: **328 E Heald Street Sheridan, WY 82801** ("Property Address"),

TOGETHER WITH all the improvements now or hereafter erected on the Property, and all easements, appurtenances, and fixtures now or hereafter a part of the Property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower and Lender covenant agree as follows:

UNIFORM COVENANTS.

1. Payment of Principal. Borrower shall pay when due the principal of the debt evidenced by the Note.

2. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time of payment of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

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3. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the term of this Security Instrument or the Note without that Borrower's consent.

4. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to: Department of Housing and Urban Development, Attention: Single Family Notes Branch, 451 Seventh Street, SW, Washington, DC 10410 or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

5. Governing Law; Severability. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

6. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

7. Acceleration; Remedies.

7.1 Events of Default. Event of Default shall mean default of any liability, obligation, covenant or undertaking of the Borrower or the occurrence of an event of default under this Security Instrument or the Note.

7.2 Remedies. On the occurrence of any Event of Default, Lender may, at any time thereafter, at its option and, to the extent permitted by applicable law, without notice, exercise any or all of the following remedies:

- (a) Declare the Note due and payable, and the Note shall thereupon become immediately due and payable, without presentment, protest, demand or notice of any kind, all of which are hereby expressly waived by the Borrower;
- (b) Enter, take possession of, manage and operate the Property (including all personal property and all records and documents pertaining thereto) and any part thereof and exclude the Borrower therefrom, take all actions it deems necessary or proper to preserve the Property and operate the Property as a mortgagee in possession with all the powers as could be exercised by a receiver or as otherwise provided herein or by applicable law; provided, however, the entry by Lender upon the Property for any reason shall not cause Lender to be a mortgagee in possession, except upon the express written declaration of Lender;
- (c) With or without taking possession, receive and collect all rents, income, issues and profits ("Rents") from the Property (including all real estate and personal property and whether past due or thereafter accruing), including as may arise under any leases, and the Borrower appoints Lender as its true and lawful attorney with the power for Lender in its own name and capacity to demand and collect Rents and take any action that the Borrower is authorized to take under any leases. The Lender shall (after payment of all costs and expenses incurred) apply any Rents received by it to the Note in such order as Lender determines, or in accordance with any applicable statute, and the Borrower agrees that exercise of such rights and disposition of such funds shall not be deemed to cure any default or constitute a waiver of any foreclosure once commenced nor preclude the later commencement of foreclosure for breach thereof. Lender shall be liable to account only for such Rents actually received by Lender. Lessees under any leases are hereby authorized and directed, following notice from Lender, to pay all



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- amounts due the Borrower under any leases to Lender, whereupon such lessees shall be relieved of any and all duty and obligation to the Borrower with respect to such payments so made;
- (d) Sell the Property or any part thereof or interest therein pursuant to exercise of its power of sale or otherwise at public auction on terms and conditions as Lender may determine, or otherwise foreclose this Security Instrument in any manner permitted by law, and upon such sale the Borrower shall execute and deliver such instruments as Lender may request in order to convey and transfer all of the Borrower's interest in the Property, and the same shall operate to divest all rights, title and interest of the Borrower in and to the Property. In the event this Security Instrument shall include more than one parcel of property or subdivision (each hereinafter called a "portion"), Lender shall, in its sole and exclusive discretion, be empowered to foreclose upon any such portion without impairing its right to foreclose subsequently upon any other portion or the entirety of the Property from time to time thereafter. Lender may proceed by judicial foreclosure with or without redemption or by non-judicial foreclosure proceedings or any other foreclosure procedure as provided by the statutes of the state where the Property is located, at the option of Lender. In case of any foreclosure sale of the Property, the same may be sold in one or more parcels, at the option of Lender. In addition, Lender may in its discretion subordinate this Security Instrument to one or more leases for the sole purpose of preserving any such lease in the event of a foreclosure;
 - (e) Cause one or more environmental assessments to be taken, arrange for the cleanup of any hazardous substances or otherwise cure the Borrower's failure to comply with any statute, regulation or ordinance relating to the presence or cleanup of hazardous substances, and the Borrower shall provide Lender or its agents with access to the Property for such purposes; provided that the exercise of any of such remedies shall not be deemed to have relieved the Borrower from any responsibility therefor or given Lender "control" over the Property or cause Lender to be considered to be a mortgagee in possession, "owner" or "operator" of the Property for purposes of any applicable law, rule or regulation pertaining to hazardous substances; and
 - (f) Take such other actions or proceedings as Lender deems necessary or advisable to protect its interest in the Property and ensure payment and performance of the Note, including, without limitation, appointment of a receiver (and the Borrower hereby waives any right to object to such appointment) and exercise of any of Lender's remedies provided herein or in any other document evidencing, securing or relating to any of the Note or available to a secured party under the Uniform Commercial Code or under other applicable law.

The Borrower agrees and acknowledges that the acceptance by Lender of any payments from either the Borrower or any guarantor after the occurrence of any Event of Default, the exercise by Lender of any remedy set forth herein or the commencement, discontinuance or abandonment of foreclosure proceedings against the Property shall not waive Lender's subsequent or concurrent right to foreclose or operate as a bar or estoppel to the exercise of any other rights or remedies of Lender. The Borrower agrees and acknowledges that Lender, by making payments or incurring costs described herein, shall be subrogated to any right of the Borrower to seek reimbursement from any third parties, including, without limitation, any predecessor in interest to the Borrower's title or other party who may be responsible under any law, regulation or ordinance relating to the presence or cleanup of hazardous substances.

7.3 Advances. If the Borrower fails to pay or perform any of its obligations respecting the Property, Lender may in its sole discretion do so without waiving or releasing Borrower from any such obligation. Any such payments may include, but are not limited to, payments for taxes, assessments and other governmental levies, water rates, insurance premiums, maintenance, repairs or improvements constituting part of the Property. Any amounts paid by Lender hereunder shall be, until reimbursed by the Borrower, part of the Note and secured by this Security Instrument, and shall be due and payable to Lender, on demand, together with interest thereon to the extent permitted by applicable law, at the highest rate permitted under any of the notes evidencing the Note.

7.4 Cumulative Rights and Remedies. All of the foregoing rights, remedies and options (including without limitation the right to enter and take possession of the Property, the right to manage and operate the same, and the right to collect Rents, in each case whether by a receiver or otherwise) are cumulative and in addition to any rights Lender might otherwise have, whether at law or by agreement, and may be exercised separately or concurrently and none of which shall be exclusive of any other. The Borrower further agrees that Lender may exercise any or all of its rights or remedies set forth herein without having to pay the Borrower any sums for use or occupancy of the Property.



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7.5 Borrower's Waiver of Certain Rights. To the extent permitted by applicable law, the Borrower hereby waives the benefit of all present and future laws (i) providing for any appraisal before sale of all or any portion of the Property or (ii) in any way extending the time for the enforcement of the collection of the Note or creating or extending a period of redemption from any sale made hereunder.

7.6 Federal Foreclosure Option. If Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 4 of the Subordinate Note, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Security Instrument Foreclosure Act of 1994 ("Act") (12 U.S.C. § 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Security Instrument or applicable law.

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Jamie P Kelly
Jamie P Kelly

Date: 5/15/18

Greta Knapp
Greta Knapp
Date: 5/15/18

State of Wyoming)

County of Sheridan) ss.

The foregoing instrument was acknowledged before me, a notary public, this 15 day of May, 20 18 by Jamie P Kelly & Greta J. Knapp

Jennifer Lemay
Notary Public

