

Recording Requested by:
Drinkwater Eaton Law Offices

And when recorded return to:
Drinkwater Eaton Law Offices
5421 Kietzke Lane, Suite 100
Reno, Nevada 89511

FIRST DEED OF TRUST
with Security Agreement and Fixture Filing

THE PARTIES TO THIS FIRST DEED OF TRUST, made as of August 11, 2023 (the "Effective Date"), are Daniel M. Elgin and Rosemarie D. Elgin, husband and wife, as Joint Tenants ("Trustor"), Ticor Title of Nevada, Inc., A Nevada corporation ("Trustee"), and Susan DiBene, an individual ("Beneficiary") with an address of 10355 Manfire Road, Morgan Hill, CA 95037.

ARTICLE 1. GRANT IN TRUST

For the purposes and upon the terms and conditions in this First Deed of Trust, Trustor irrevocably grants, conveys and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all that real property located in the County of Douglas, State of Nevada, described on Exhibit A attached hereto (the "Real Property"), together with all of Trustor's right, title and interest in and to the following (all of which together with said Real Property, is referred to herein as the "Subject Property");

- (a) All appurtenances, easements, rights and rights of way appurtenant or related thereto;
- (b) All buildings, other improvements and fixtures now or hereafter located thereon (the "Improvements");
- (c) All goods, building and other materials, supplies, work in process, equipment, machinery, fixtures, furniture, furnishings, signs and other personal property, wherever situated, which are or are to be incorporated into, used in connection with, or appropriated for use on, the Real Property;
- (d) All insurance policies (and unearned premiums thereon) and all proceeds of insurance required to be carried by the terms of this First Deed of Trust and the Sale Escrow Instructions;
- (e) Any evidence of title to the Subject Property provided by Trustor to Beneficiary;
- (f) All water and water rights, ditches and ditch rights, reservoir and reservoir rights, stock or interests in irrigation or ditch companies, minerals, oil and gas rights, royalties, lease

or leasehold interests owned by Trustor, now or hereafter used or useful in connection with, appurtenant to or related to subject Property; and

(g) All interest or estate which Trustor may hereafter acquire in the property described above, and all replacements, proceeds, additions and accretions thereto. The listing of specific rights or property shall not be interpreted as a limit of general terms.

ARTICLE 2. OBLIGATIONS SECURED

2.1 Obligations Secured. Trustor makes this grant and assignment for the purpose of securing the following obligations ("Secured Obligations"):

(a) Payment to Beneficiary of all sums at any time owing under a promissory note ("Note") of even date herewith, in the principal amount of One Hundred Thirty Thousand Five Hundred Twenty-One and 00/100 Dollars (\$130,521.00) executed by Trustor, as Maker, and payable to the order of Beneficiary as Payee; and

(b) Payment and performance of all obligations of Trustor under this First Deed of Trust and under any and all future deeds of trust which state that they are secured hereby; and

(c) Payment and performance of all obligations of Trustor under the Note and under any and all modifications to the Note which state that they are secured hereby; and

(d) Payment and performance of all obligations, if any, which any rider attached as an Exhibit to this First Deed of Trust recites are secured hereby; and

(e) Payment and performance of all future advances and other obligations that the then record owner of all or part of the Subject Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when such future advance or obligation is evidenced by a writing which recites that it is secured by this First Deed of Trust; and

(f) All modifications, extensions and renewals of any of the obligations secured hereby, however evidenced, including, without limitation: (i) modifications of the required principal payment dates or interest payment dates or both, as the case may be, deferring or accelerating payment dates wholly or partly; or (ii) modifications, extensions or renewals at a different rate of interest whether or not in the case of a note, the modification, extension or renewal is evidenced by a new or additional promissory note.

2.2 Obligations. The term "obligations" is used herein in its broadest and most comprehensive sense and shall be deemed to include, without limitation, all interest and charges, prepayment charges, late charges and loan fees at any time accruing or assessed on any of the Secured Obligations.

2.3 Incorporation. All terms of the Secured Obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Subject Property shall be deemed to have notice of the terms of the Secured Obligations and to have notice, if provided therein, that the rate of interest on one or more Secured Obligations may vary from time to time.

2.4 Due on Sale. In the event the herein described Subject Property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable.

ARTICLE 3. SECURITY AGREEMENT AND FIXTURE FILING

3.1 Security Interest. Trustor hereby grants and assigns to Beneficiary as of the Effective Date a security interest, to secure payment and performance of all of the Secured Obligations, in all of the Subject Property which is or may be held to be personal property and in which Trustor now or at any time hereafter has any interest ("Collateral"). As to all of the Subject Property which is or which hereafter becomes a "fixture" under applicable law, this First Deed of Trust is to be recorded in the real property records and filed as a fixture filing under the Nevada Revised Statutes, as amended, revised or recodified from time to time.

3.2 Representations and Warranties. Trustor represents and warrants that as of the Effective Date: (a) Trustor has good title to the Collateral, subject to the exceptions disclosed in the Title Policy issued to Beneficiary as required by the Sale Escrow Instructions; and (b) Trustor has not previously assigned or encumbered the Collateral, and no financing statement covering any of the Collateral has been delivered to any other person or entity.

3.3 Rights of Beneficiary. In addition to Beneficiary's rights as a "Secured Party" under the Nevada Revised Statutes, as amended or recodified from time to time ("UCC"), Beneficiary may, but shall not be obligated to, at any time without notice and at the expense of Trustor: (a) give notice to any person of Beneficiary's rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Collateral or any rights or interests of Beneficiary therein; (c) inspect the Collateral; and (d) endorse, collect and receive any right to payment of money owing to Trustor under or from the Collateral. Notwithstanding the above, in no event shall Beneficiary be deemed to have accepted any property other than cash in satisfaction of any obligation of Trustor to Beneficiary unless Beneficiary shall make an express written election of said remedy under the UCC, as amended, revised or recodified from time to time, or other applicable law.

3.4 Rights of Beneficiary on Default. Upon the occurrence and during the continuance of a Default as defined in Section 5.1 under this First Deed of Trust, then in addition to all of Beneficiary's rights as a "Secured Party" under the UCC or otherwise by law or under this First Deed of Trust:

(a) Beneficiary may (i) upon written notice, require Trustor to assemble any or all of the Collateral and make it available to Beneficiary at a place designated by Beneficiary; (ii) without prior notice, enter upon the Real Property, the Improvements or any other place where any of the Collateral may be located and take possession of, collect, sell, and dispose of any or all of the Collateral, and store the same at locations acceptable to Beneficiary at Trustor's expense; (iii) sell, assign and deliver at any place or in any lawful manner all or any part of the Collateral and bid and become purchaser at any such sales; and

(b) Beneficiary may, for the account of Trustor and at Trustor's expense: (i) operate, use, consume, sell or dispose of the Collateral as Beneficiary deems appropriate for the purpose of performing any or all of the Secured Obligations; (ii) enter into any agreement,

compromise, or settlement, including insurance claims, which Beneficiary may deem desirable or proper with respect to any of the Collateral; and (iii) endorse and deliver evidences of title for, and receive, enforce and collect, by legal action or otherwise, all indebtedness and obligations now or hereafter owing to Trustor in connection with or on account of any or all of the Collateral.

Notwithstanding any other provision hereof, Beneficiary shall not be deemed to have accepted any property other than cash in satisfaction of any obligation of Trustor to Beneficiary unless Trustor shall make an express written election of said remedy under the Nevada Revised Statutes, as amended, revised or recodified from time to time, or other applicable law.

3.5 Power of Attorney. Upon ten (10) business days notice of the necessity of a power of attorney, Trustor will irrevocably appoint Beneficiary as Trustor's attorney-in-fact (such agency being coupled with an interest), and as such attorney-in-fact Beneficiary may, without the obligation to do so, in Beneficiary's name, or in the name of Trustor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve any of Beneficiary's security interests and rights in or to any of the Collateral, and, upon a Default hereunder, take any other action required of Trustor; provided, however, that Beneficiary as such attorney-in-fact shall be accountable only for such funds as are actually received by Beneficiary.

3.6 Possession and Use of Collateral. Except as otherwise provided in this Section or the other Loan Documents, so long as no Default exists under this First Deed of Trust, Trustor may possess, use, move, transfer or dispose of any of the Collateral in the ordinary course.

**ARTICLE 4. RIGHTS AND DUTIES OF THE PARTIES;
CERTAIN REPRESENTATIONS; WARRANTIES AND COVENANTS**

4.1 Warranties and Representations. Trustor represents, warrants, and undertakes that (a) Trustor has full right and authority to execute and deliver this First Deed of Trust; and (b) Trustor has in its own right good and indefeasible title in fee simple to the Property free from any encumbrance superior to the indebtedness hereby secured.

4.2 Covenants. Trustor, for Trustor and Trustor's successors and permitted assigns hereunder, covenants, agrees, and undertakes to: (a) pay, or cause to be paid, before delinquent, all taxes and assessments of every kind or character in respect to the Subject Property, or any part thereof, from time to time, and, upon request of Beneficiary, to furnish to Beneficiary evidence satisfactory to Beneficiary of the timely payment of such taxes and assessments and governmental charges (including, but not limited to, any general or special taxes or ditch or water assessments levied or accruing against the Subject Property); (b) purchase policies of insurance with respect to the Subject Property with such insurers, in such amounts and covering such risks as shall be satisfactory to Beneficiary, including, but not limited to, (1) owner's and contractors' policies of comprehensive general public liability insurance; (2) hazard insurance against all risks of loss, including collapse, in an amount not less than the full replacement cost of all Improvements, including the cost of debris removal, with annual agreed amount endorsement and sufficient at all times to prevent Trustor from becoming a co-insurer, such insurance prior to completion of the Improvements to be in builder's risk form on a non-reporting basis and including coverage for all materials and equipment, wherever located, intended to be installed in or utilized in the construction of the Improvements; (3) if the Real Property is in a "Flood Hazard Area", a flood insurance policy, or binder therefor, in an amount equal to the principal amount of the Note or the

maximum amount available under the Flood Disaster Protection Act of 1973, and regulations issued pursuant thereto, as amended from time to time, whichever is less, in form complying with the "insurance purchase requirements" of that act; (4) such policies of mortgagee's title insurance insuring the validity and priority of this First Deed of Trust and any future renewals or extensions of this First Deed of Trust, including any such mortgagee's title insurance which the Beneficiary may require during the term of the Secured Obligation to supplement or replace any mortgagee's title policy earlier provided to Beneficiary insuring the validity and priority of the First Deed of Trust; and (5) such other insurance, if any, as Beneficiary may require from time to time, or which is required by the Sales Escrow Instructions; (c) cause all insurance carried in accordance with Section 4.2(b) to be payable to Beneficiary as a mortgagee, to deliver the original policies of insurance carried by each Trustor (as that term is hereinafter defined) for the benefit of Trustor, and to cause all such policies to be payable to Beneficiary as its interest may appear; (d) pay, or cause to be paid, all premiums for such insurance at least ten (10) days before such premiums become due, furnish to Beneficiary satisfactory proof of the timeliness of such payments and deliver all renewal policies to Beneficiary at least ten (10) days before the expiration date of each expiring policy; (e) comply with all federal, state, or municipal laws, rules, ordinances, and regulations applicable to the Subject Property and its ownership, use and operation, including but not limited to maintenance of the Subject Property in compliance with the Americans with Disabilities Act of 1990, and comply with all, and not violate any, easements, restrictions, agreements, covenants, and conditions with respect to or affecting the Subject Property or any part thereof; (f) at all times maintain, preserve, and keep the Subject Property in good repair and condition and presenting a first-class appearance, and from time to time make all necessary and proper repairs, replacements, and renewals, and not commit or permit any waste on or of the Subject Property, and not do anything to the Subject Property that may impair its value; (g) promptly pay all bills for labor and materials incurred in connection with the Subject Property and never permit to be created or to exist in respect to the Subject Property or any part thereof any lien or security interest even though inferior to the liens and security interest hereof for any such bill, and in any event never permit to be created or exist in respect to the Subject Property or any part thereof any other or additional lien or security interest on a parity with or superior to any of the liens or security interest hereof; (h) at any time, and from time to time, upon request of Beneficiary, forthwith, execute and deliver to Beneficiary any and all additional instruments and further assurances, and do all other acts and things, as may be reasonably necessary or proper, in Beneficiary's opinion, to effect the intent of these covenants, more fully evidence and perfect the rights, titles, liens, and security interests herein created or intended to be created and to protect the rights, remedies, powers, and privileges of Beneficiary hereunder; (i) from time to time, upon request of Beneficiary, promptly furnish to Beneficiary financial statements and reports relating to the Trustor and the Subject Property as required; (j) pay and perform all of the Secured Obligation in accordance with the terms thereof or of this First Deed of Trust; (k) at any time any law shall be enacted imposing or authorizing the imposition of any tax upon this First Deed of Trust, or upon any rights, titles, liens, or security interests created hereby, or upon the Secured Obligation, or any part thereof, immediately pay all such taxes; provided that, in the alternative, Trustor may, in the event of the enactment of such a law, and must, if it is unlawful for Trustor to pay such taxes, prepay the Secured Obligation in full within sixty (60) days after demand therefor by Beneficiary; (l) at any time and from time to time, furnish promptly upon request of Beneficiary a written statement or affidavit, in such form as shall be satisfactory to Beneficiary, stating the unpaid balance of the Secured Obligation and that there are no offsets or defenses against full payment of the Secured Obligation and the terms hereof, or, if there are any such offsets or defenses, specifying them; (m) punctually and properly perform all of Trustor's covenants, duties, and liabilities under any other security agreement, mortgage, deed of trust, collateral pledge agreement, contract, or assignment of any kind now or hereafter existing as security for or in connection with payment of the Secured Obligation, or any part thereof (each such security agreement

being herein called "other security instrument"; (n) allow Beneficiary from time to time to inspect the Subject Property and all records relating thereto or to the Secured Obligation, and to make and take away copies of such records; (o) not cause or permit the fixtures, or any part thereof, to be removed from the county and state where the Land is located, except items of the fixtures which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes having a value equal to or greater than the replaced items when new; (p) not without the prior written consent of Beneficiary sell, trade, transfer, assign, or exchange or otherwise dispose of (or suffer or permit any of the same to occur with respect to) (1) any capital stock of Trustor if Trustor is a corporation, (2) any partnership interest either general or limited if Trustor is a partnership, or (3) any membership interest in Trustor, if Trustor is a limited liability company, except by devise, descent, or operation of law upon the death of a shareholder, partner, joint venturer, or member, as the case may be; and (q) pay, or cause to be paid, any and all attorneys' fees, filing fees and expenses incurred by Beneficiary for the preparation and recordation of any and all legal instruments which the Beneficiary may require at the time of the creation of this Secured Obligation (including this First Deed of Trust and/or any and all other instruments which Lender may require in connection herewith) or which Beneficiary may require during the term of the Secured Obligation.

4.3 Nevada Covenants. The statutory covenants of NRS 107.030 ("Statutory Covenants"), Nos. 1, 2, 3, 4, 5, 6, 7, 8 and 9 are hereby adopted and made a part of this First Deed of Trust. To the extent possible, the Statutory Covenants will be construed so as to augment, and be compatible with, but not replace, the other agreements and Statutory Covenants contained in this First Deed of Trust. Except for Statutory Covenants 6, 7, and 8, to the extent that any of the described Statutory Covenants are determined to be in conflict with any of the other agreements and covenants contained in this First Deed of Trust, the agreement or covenant which is more favorable to Beneficiary, as determined by Beneficiary in its sole discretion, shall control and be enforceable by Beneficiary. Statutory Covenants 6, 7, and 8 shall control over the express terms of any inconsistent terms of this First Deed of Trust.

4.4 Acceptance of Trust; Powers and Duties of Trustee. Trustee accepts this trust when this First Deed of Trust is recorded. From time to time upon written request of Beneficiary and without affecting the personal liability of any person for payment of any indebtedness or performance of any obligations secured hereby, Trustee may, without liability therefore and without notice: (i) reconvey all or any part of the Subject Property; (ii) consent to the making of any map or plat thereof; and (iii) join in any grant of easement thereon, any declaration of covenants and restrictions, or any extension agreement or any agreement subordinating the lien or charge of this First Deed of Trust. Except as may be required by applicable law, Trustee or Beneficiary may from time to time apply to any court of competent jurisdiction for aid and direction in the execution of the trust hereunder and the enforcement of the rights and remedies available hereunder, and may obtain orders or decrees directing or confirming or approving acts in the execution of said trust and the enforcement of said remedies. Trustee has no obligation to notify any party of any pending sale or any action or proceeding, including, without limitation, actions in which Trustor, Beneficiary or Trustee shall be a party unless held or commenced and maintained by Trustee under this First Deed of Trust. Trustee shall not be obligated to perform any act required of it hereunder unless the performance of the act is requested in writing and Trustee is reasonably indemnified and held harmless against loss, cost, liability or expense.

4.5 Compensation; Exculpation; Indemnification.

(a) Trustor shall pay upon demand Trustee's fees and reimburse Trustee for necessary expenses in the administration of this trust, including reasonable attorneys' fees, together with interest at the "Default Rate" (as defined in the Note) from the date funds were spent. Beneficiary shall not directly or indirectly be liable to Trustor or any other person as a consequence of (i) the exercise of the rights, remedies or powers granted to Beneficiary in this First Deed of Trust; (ii) the failure or refusal of Beneficiary to perform or discharge any obligation or liability of Trustor under any agreement related to the Subject Property or under this First Deed of Trust; or (iii) any loss sustained by Trustor or any third party resulting from Beneficiary's failure to lease the Subject Property after a default or from any other act or omission of Beneficiary in managing the Subject Property after a Default unless the loss is caused by the gross negligence or willful misconduct of Beneficiary and no such liability shall be asserted against or imposed upon Beneficiary, and all such liability is hereby expressly waived and released by Trustor.

(b) Trustor shall indemnify Trustee, Beneficiary and their respective successors and assigns against, and hold Trustee, Beneficiary and their respective successors and assigns harmless from, all losses, damages, liabilities, claims, causes of action, judgments, fines, penalties, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other expenses which they may suffer or incur: (i) by reason of this First Deed of Trust; (ii) by reason of the execution of this trust or in performance of any act required or permitted hereunder or by law; (iii) as a result of any failure of Trustor to perform Trustor's obligations; (iv) by reason of any alleged obligation or undertaking on Beneficiary's part to perform or discharge any of the representations, warranties, conditions, covenants or other obligations contained herein or in any other document related to the Subject Property; (v) as a result of the construction of or any failure to construct the Improvements; (vi) as the result of any negligence or intentional wrongful act or omission of Trustor; or (vii) as the result of any death, personal injury or bodily injury occurring on or about the Real Property, except for Beneficiary's own gross negligence or willful misconduct. The above obligation of Trustor to indemnify and hold harmless shall survive the release and cancellation of the Secured Obligations and the release and reconveyance or partial release and reconveyance of this First Deed of Trust.

(c) Trustor shall pay all amounts and indebtedness arising under this Section 4.5 immediately upon demand by Trustee or Beneficiary together with interest thereon from the date the indebtedness arises at the rate of interest applicable to the principal balance of the Note as specified therein.

4.6 Substitution of Trustees. From time to time, by a writing signed and acknowledged by Beneficiary and recorded in the Office of the Recorder of the County in which the Subject Property is situated, Beneficiary may appoint another trustee to act in the place and stead of Trustee or any successor. Such writing shall set forth any information required by law. The recordation of such instrument of substitution shall discharge Trustee herein named and shall appoint the new trustee as the trustee hereunder with the same effect as if originally named Trustee herein. A writing recorded pursuant to the provisions of this Section 4.6 shall be conclusive proof of the proper substitution of such new Trustee.

4.7 Releases, Extensions, Modifications and Additional Security. Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in the Subject Property or in any manner obligated under the Secured Obligations ("Interested Parties"), Beneficiary may, from time to time, release any person or entity from liability for the payment or performance of

any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, or accept additional security or release all or a portion of the Subject Property and other security for the Secured Obligations. None of the foregoing actions shall release or reduce the personal liability of any of said Interested Parties, or release or impair the priority of the lien of this First Deed of Trust upon the Subject Property.

4.8 Right of Inspection. Beneficiary, its agents and employees, may enter the Subject Property at any reasonable time for the purpose of inspecting the Subject Property and ascertaining Trustor's compliance with the terms hereof.

ARTICLE 5. DEFAULT PROVISIONS

5.1 Default. For all purposes hereof, the term "Default" shall mean (a) the failure of Trustor to perform any material obligation hereunder, or the failure to be true of any material representation or warranty of Trustor contained herein, and the continuance of such failure for the grace period applicable to such obligation or representation and warranty (if any), and if no such grace period is specified for such obligation or representation and warranty, then ten (10) business days after notice of such failure, or (b) the existence of any Default or Event of Default as defined in the Note.

5.2 Rights and Remedies. At any time after Default, Beneficiary and Trustee shall each have all the following rights and remedies:

(a) To declare all Secured Obligations immediately due and payable as and when provided in the Note;

(b) Without releasing Trustor from any Secured Obligation, and without becoming a mortgagee in possession, to cure any breach or default of Trustor and, in connection therewith, to enter upon the Subject Property and do such acts and things as Beneficiary or Trustee deems necessary or desirable to protect the security hereof, including, without limitation: (i) to appear in and defend any action or proceeding purporting to affect the security of this First Deed of Trust or the rights or powers of Beneficiary or Trustee under this First Deed of Trust; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the sole judgment of either Beneficiary or Trustee, is or may be senior in priority to this First Deed of Trust, the judgment of Beneficiary or Trustee being conclusive as between the parties hereto; (iii) to obtain insurance; (iv) to pay any premiums or charges with respect to insurance required to be carried under this First Deed of Trust; or (v) to employ counsel, accountants, contractors and other appropriate persons;

(c) To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this instrument as a mortgage or to obtain specific enforcement of the covenants of Trustor hereunder, and Trustor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Trustor waives the defense of laches and any applicable statute of limitations;

(d) To apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Subject Property as a matter of strict right and without regard to the adequacy of the security for the repayment of the Secured Obligations, the existence of a declaration that the Secured

Obligations are immediately due and payable, or the filing of a notice of default, and Trustor hereby consents to such appointment;

(e) To enter upon and possess the Subject Property or any part thereof and to make repairs, alterations and improvements to the Subject Property as necessary, in Trustee's or Beneficiary's reasonable judgment, to protect or enhance the security hereof;

(f) To execute a written notice of such Default and of its election to cause the Subject Property to be sold to satisfy the Secured Obligations. As a condition precedent to any such sale, Trustee shall give and record such notice as the law then requires. When the minimum period of time required by law after such notice has elapsed, Trustee, without notice to or demand upon Trustor except as required by law, shall sell the Subject Property at the time and place of sale fixed by it in the notice of sale, at one or several sales, either as a whole or in separate parcels and in such manner and order, all as Beneficiary in its sole discretion may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at time of sale. Neither Trustor nor any other person or entity other than Beneficiary shall have the right to direct the order in which the Subject Property is sold. Subject to requirements and limits imposed by law, Trustee may from time to time postpone sale of all or any portion of the Subject Property by public announcement at such time and place of sale. Trustee shall deliver to the purchaser at such sale a deed conveying the Subject Property or portion thereof so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee, Trustor or Beneficiary may purchase at the sale;

(g) To resort to and realize upon the security hereunder and any other security now or later held by Beneficiary concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken non-judicial proceedings, or both, and to apply the proceeds received upon the Secured Obligations all in such order and manner as Trustee and Beneficiary, or either of them, determine in their sole discretion;

(h) To suspend or terminate, at its option, any obligation to make further disbursements under any loan documents; and

(i) To exercise any other rights or remedies available to Beneficiary at law, in equity, by statute or otherwise.

If Beneficiary spends its funds in exercising any of its rights or remedies hereunder, the amount of funds spent shall be payable to Beneficiary upon demand, together with interest at the Default Rate from the date the funds were spent.

At any sale of the Subject Property held pursuant to Section 5.2(c) or Section 5.2(f) above, Beneficiary may bid, as the equivalent of cash, the amount of all or any of the Secured Obligations, including, without limitation, attorneys' fees.

5.3 Application of Foreclosure Sale Proceeds. After deducting all costs, fees and expenses of Trustee, and of this trust, including, without limitation, cost of evidence of title and attorneys' fees in connection with sale, Trustee shall apply all proceeds of any foreclosure sale: (i) to payment of all sums expended by Beneficiary under the terms hereof and not then repaid, with accrued interest at the rate of interest specified in the Note to be applicable on or after maturity or acceleration of the Note,

and to payment of all other Secured Obligations, in any order Beneficiary may elect in its sole discretion; and (ii) the remainder, if any, to the person or persons legally entitled thereto.

5.4 Application of Other Sums. All sums received by Beneficiary under Section 5.2, less all reasonable costs and expenses incurred by Beneficiary or any receiver under Section 5.2, including, without limitation, reasonable attorneys' fees, shall be applied in payment of the Secured Obligations in such order as Beneficiary shall determine in its sole discretion; provided, however, Beneficiary shall have no liability for funds not actually received by Beneficiary.

5.5 No Cure or Waiver. Neither Beneficiary's nor Trustee's nor any receiver's entry upon and taking possession of all or any part of the Subject Property, nor any collection of rents, issues, profits, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Secured Obligation, nor the exercise or failure to exercise of any other right or remedy by Beneficiary or Trustee or any receiver shall cure or waive any breach, Default or notice of default under this First Deed of Trust, or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and Trustor has cured all other defaults), or impair the status of the security, or prejudice Beneficiary or Trustee in the exercise of any right or remedy, or be construed as an affirmation by Beneficiary of any tenancy, lease or option or a subordination of the lien of this First Deed of Trust.

5.6 Payment of Costs, Expenses and Attorney's Fees. Trustor agrees to pay to Beneficiary immediately and without demand all reasonable costs and expenses incurred by Trustee and Beneficiary pursuant to subparagraphs (a) through (i) inclusive of Section 5.2 (including, without limitation, court costs and reasonable attorneys' fees, whether incurred in litigation or not and also including, without limitation, fees and costs in any action intended to protect Beneficiary's interests or security in any bankruptcy case in which Trustor or any of its affiliates is a debtor) with interest at the Default Rate from the date of expenditure until said sums have been paid at the rate of interest applicable to the principal balance of the Note as specified therein. In addition, Trustor shall pay to Trustee all Trustee's fees hereunder and shall reimburse Trustee for all expenses incurred in the administration of this trust, including, without limitation, any reasonable attorneys' fees.

5.7 Power to File Notices and Cure Defaults. Upon the occurrence of a Default, Trustor hereby irrevocably appoints Beneficiary and its successors and assigns, as its attorney-in-fact, which agency is coupled with an interest, (a) to execute and/or record any notices of completion, cessation of labor, or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, (b) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the Collateral, and (c) upon the occurrence of an event, act or omission which, with notice or passage of time or both, would constitute a Default, Beneficiary may perform any obligation of Trustor hereunder; provided, however, that: (i) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (ii) Beneficiary shall not be liable to Trustor or any other person or entity for any failure to act under this Section.

5.8 Restoration of Position. In case Beneficiary shall have undertaken to enforce any right under this First Deed of Trust by foreclosure, sale, entry or otherwise, and such undertaking shall have been discontinued or abandoned for any reason or shall have been determined adversely to Beneficiary, then and in every such case Trustor, Trustee and Beneficiary shall be restored to their former positions and rights hereunder with respect to the Subject Property, and all rights, remedies,

powers and security of Beneficiary and Trustee shall continue in full force and effect, as if no such proceedings had ever been initiated.

5.9 Evidence of Title. In the event of the occurrence of any Default under this First Deed of Trust, Beneficiary may procure evidence of title to the Subject Property, including but not limited to an abstract of title or continuation thereof or a title insurance policy or commitment therefor or extension thereof, covering the Real Property, and/or chattel lien searches covering any of the remainder of the Subject Property, all at the sole cost and expense of Trustor, and, in case action is commenced to foreclose this First Deed of Trust or to sell the Subject Property, Trustor agrees that, in addition to the reasonable attorneys' fees of Beneficiary (prior to trial, at trial and on appeal), it will pay any court costs which may be incurred in connection therewith. The reasonable costs of any such abstract of title, continuation, title insurance policy, commitment or extension, and chattel lien searches, and all of such court costs and reasonable attorneys' fees, together with interest thereon at the Default Rate (as that term is defined in the Note) from the date incurred, shall be charged and added to the indebtedness secured hereby and shall be payable on demand.

ARTICLE 6. MISCELLANEOUS PROVISIONS

6.1 Merger. No merger shall occur as a result of Beneficiary's acquiring any other estate in, or any other lien on, the Subject Property unless Beneficiary consents to a merger in writing.

6.2 Rules of Construction. When the identity of the parties or other circumstances make it appropriate the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. The term "Subject Property" means all and any part of the Subject Property and any interest in the Subject Property.

6.3 Successors in Interest. The terms, covenants, and conditions herein contained shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto.

6.5 Incorporation. Exhibit(s) A, and any riders, all as attached, are incorporated into this First Deed of Trust by this reference.

6.6 Addresses; Request for Notice. Notice to Beneficiary shall be sent to Beneficiary at the following address: 10355 Manfire Road, Morgan Hill, CA 95037. Any Trustor whose address is set forth below hereby requests that a copy of notice of default and notice of sale be mailed to him at that address. Failure to insert an address shall constitute a designation of Trustor's last known address as the address for such notice. Correspondence to Trustee shall be addressed to 5421 Kietzke Lane, Suite 100, Reno, Nevada 89511.

The remainder of this page is intentionally left blank.
Signature page follows.

COPY

IN WITNESS WHEREOF, Trustor has executed this First Deed of Trust as of the day and year set forth above.

“Trustor”

Daniel M. Elgin and Rosemarie D. Elgin,
husband and wife, as Joint Tenants

By: [Signature]
Daniel M. Elgin

By: [Signature]
Rosemarie D. Elgin

Address: 1134 San Marcos Circle
Minden, NV 89423



STATE OF Nevada)
COUNTY OF Douglas) ss.

On August 17, 2023, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Rosemarie D. Elgin and Daniel M. Elgin, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the within instrument.

WITNESS my hand and official seal.

[Signature]
Notary Public

EXHIBIT A

All that certain real property situated in the County of Douglas, State of Nevada, described as follows:

Lot 297 in Block C, as shown on the Final Map #PD99-02-08 for SARATOGA SPRINGS ESTATES UNIT 8, A PLANNED DEVELOPMENT, filed in the office of the Douglas County Recorder, State of Nevada, on October 18, 2004 in Book 1004 at Page 7206 as Document No. 626992, Official Records.

Together with all singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

APN: 1420-29-612-020

