

This document was prepared by:
Anna Yang
HGM Holdings, LLC
575 E. Locust Ave., Ste. 120
Fresno, CA 93720
(914) 613-3430

MORTGAGE DEED

THIS MORTGAGE DEED is executed on the date shown next to the signatures below between **HGM HOLDINGS, LLC**, A California Limited Liability Company, whose address is **575 E. Locust Ave., Ste. 120 Fresno CA 93720** (the "Mortgagor") and **Niru Capital, LLC**, whose address is **4236 San Juan Ave., Fremont CA 94536** (the "Mortgagee").

WHEREAS, Mortgagor has executed and delivered to Mortgagee a certain Commercial Promissory Note ("Note") of even date in the principal sum of (One Hundred Twenty Thousand) **\$120,000.00**.

NOW, THEREFORE, the Mortgagor agrees as follows:

A. **Grant of Mortgage.** In consideration of the above-mentioned sum and for the purpose of securing Mortgagor's performance under the Note, Mortgagor hereby gives, grants, bargains, sells, conveys, mortgages, and warrants unto the Mortgagee, Mortgagee's heirs and assigns, the real property described as follows:

LEGAL DESCRIPTION:

SEC/TWNSHP/RAN 16 19S 02W NBRHD: 01 INDIAN VALLEY R-2

Property Address: 4805 Winnebago Dr, Hoover, AL 35244

Parcel Number: 105160002001001

Together with all buildings, structures, improvements, and fixtures now or hereafter located thereon, and all easements, rights of way, licenses, privileges, and appurtenances thereunto belonging or in any way pertaining, and all rents, issues, and profits which may be had or arise therefrom (hereinafter collectively referred to as the "Premises").

TO HAVE AND TO HOLD the same with the privileges and appurtenances thereof, unto the Mortgagee, Mortgagee's heirs and assigns forever.

B. **Warranty of Title.** The Mortgagor covenants with the Mortgagee, Mortgagee's heirs and assigns, that at and until the ensealing of these presents the Mortgagor is well seized of the Premises, has a good and indefeasible estate in fee simple, and has good right to bargain, sell, and convey the same in manner and form herein set forth, and that the same are free from all liens and encumbrances.

C. Covenants of Mortgagor. The Mortgagor hereby covenants with the Mortgagee, Mortgagee's heirs and assigns, as follows:

1. That the Mortgagor will pay the principal sum of the Note and interest thereon at the time and in the manner provided in the Note and will comply with all the covenants, agreements, and conditions herein contained and to be performed by the Mortgagor in any related documents.

2. That Mortgagor will punctually pay and discharge, as the same become payable, all taxes, assessments, and other governmental charges whatsoever now or hereafter imposed by any public authority upon the Premises, or any part thereof, or upon Mortgagee's interest therein, without regard to any law heretofore or hereafter enacted imposing payment of the whole or any part thereof upon the Mortgagee. Mortgagor will provide Mortgagee, upon reasonable request, with written evidence that the taxes and other charges have been paid as aforesaid after each such payment has been made.

3. That Mortgagor will comply with all statutes, ordinances, regulations, and rules which may be established by any legally constituted public authority with respect to the use, maintenance, and care of the Premises, including all environmental laws, rules, and regulations. Mortgagor shall indemnify, defend, and hold harmless Mortgagee, Mortgagee's heirs and assigns, from any claims, actions, penalties, fines, damages, or expenses, including reasonable attorney's fees occasioned by or arising from any violations or alleged violations of environmental laws, rules, or regulations, regardless of when or who caused the violation or alleged violation. This clause shall survive any foreclosure actions taken pursuant to the terms of this Mortgage.

4. That Mortgagor will not create or suffer to be created any charge, lien, or encumbrance upon the Premises or any part thereof, or lease the Premises, without the prior written consent of Mortgagee.

5. If all or any part of the Premises are taken or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right to eminent domain, or by the alteration of the grade of any street affecting the Premises, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining, unpaid indebtedness secured hereby, is hereby assigned to Mortgagee (subject to the prior rights of any mortgagee identified hereinabove in paragraph B) who is empowered to collect and receive the same and to give proper receipts therefore in the name of the Mortgagor, and the same shall be paid forthwith to Mortgagee. Any award or payment so received by Mortgagee shall, at the option of Mortgagee, either be retained and applied, in whole or in part, to the indebtedness secured hereby (whether or not then due and payable), in such manner as Mortgagee may determine, or be released, in whole or in part, for the purpose of altering or restoring the Premises that may have been altered, damaged, or destroyed as a result of such taking, alteration, or proceeding, but Mortgagee shall not be obligated to see the application of any amounts so released.

6. The Mortgagor will punctually pay all indebtedness secured, or which purports to be secured, by any lien or encumbrance on the Premises to which the lien of Mortgagee on the Premises is or may become subordinate with Mortgagee's consent as the same shall become due according to the tenor or terms of the promissory note, notes, or other evidence of the indebtedness secured by such lien or encumbrance, it being agreed that the covenants and requirements of any prior indebtedness secured by a lien against the Premises shall be considered covenants of this Mortgage, and that any default thereunder shall be considered a default herein and may, if not cured by Mortgagor, be cured by Mortgagee at Mortgagee's option; and that Mortgagor will perform all such acts as will preserve and keep valid the lien and priority intended to be created by this instrument.

7. That (a) in the event of any default by Mortgagor in the payment of the indebtedness evidenced by the Note after the same shall be due and payable according to the tenor thereof provided therein, or (b) in the event Mortgagor fails to perform any one or more of the covenants and agreements herein contained on Mortgagor's part to be performed, or contained in any other agreement, mortgage, or security instrument executed by Mortgagor in connection with this transaction or to secure the indebtedness secured hereby, (c) in the event Mortgagor shall be adjudicated to be bankrupt or insolvent or shall make a general assignment for the benefit of creditors, or (d) in the event Mortgagor shall sell (including a land contract, lease-option, or assignment) or otherwise dispose of the Premises, or any part thereof, or any legal or beneficial interest therein, without the consent of Mortgagee, or (e) Mortgagor shall be declared in default under the terms of any note secured by a lien prior to the lien created by this Mortgage, or be declared in default under the mortgage or other security agreement securing such note, then and in any such event Mortgagee may at Mortgagee's election declare the Note to be immediately due and payable, without notice to Mortgagor (which notice Mortgagor hereby expressly waives), and upon any such declaration, the entire indebtedness hereby secured shall be immediately due and payable, anything herein or in the Note to the contrary notwithstanding, and Mortgagee shall be entitled to institute foreclosure proceedings and to the appointment of a receiver. In such foreclosure Grantee shall be entitled to the entire indebtedness, together with attorney's fees and costs of collection, to the extent permitted by law.

8. In the event of default and upon acceleration under paragraph (C)(7), if there is an abandonment of the properties and at any time prior to the expiration of any period of redemption following judicial sale, Lender (either in its own right or by judicially appointed receiver, to which Borrower consent) shall be entitled to enter upon, take possession of and manage the properties and to collect the rents of the properties which shall be applied to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage

9. That in the event Mortgagor shall fail to pay any taxes, assessments, governmental charges, or principal or interest secured by any other encumbrances upon the Premises, or shall fail in the due performance or observances of any other condition, obligation, covenant, or requirement contained in the Note or herein, Mortgagee may, if it so desires, make good any such default or defaults, and Mortgagor hereby agrees to pay to Mortgagee immediately upon demand a sum equal to any monies advanced by Mortgagee for any such purpose together with interest thereon at a rate of 15% per annum, from the respective dates of payment, payable monthly. All sums so paid and

expended by Mortgagee and interest thereon shall be secured by the lien of this Mortgage. If Mortgagee shall pay any obligation for the payment of which Mortgagor is in default, such payment shall be without prejudice to Mortgagee's right to declare the entire indebtedness hereby secured immediately due and payable.

10. Mortgagor shall continuously maintain property and casualty insurance on any buildings or improvements now or hereafter on the Premises to their full replacement value and will promptly pay when due any premium, therefore. The Mortgagee shall be named on said policy and the proceeds from such policy shall be payable to the Mortgagee and shall, at the option of Mortgagee, be applied either to the reduction of the indebtedness secured hereby or to the restoration or repair of the property damaged. As long as this Mortgage is in effect Mortgagor shall deliver to Mortgagee certificates evidencing all such insurance.

11. That in the event any action shall be instituted to foreclose the Premises, upon application to the Court the Mortgagee shall be entitled to the appointment of a receiver to take immediate possession of, manage and control the Premises, notwithstanding that the Premises, or any part thereof, are occupied by Mortgagor or persons claiming by or under Mortgagor, and collect and receive the rents and profits thereof, and apply the same under the direction of the Court.

12. That if Mortgagee shall incur or expend any sums, including reasonable attorney's fees, whether or not in connection with any action or proceeding, to sustain the lien of this Mortgage or its priority, to protect or enforce any of Mortgagee's rights hereunder, to protect the Premises or to recover any indebtedness hereby secured, all such sums shall become immediately due and payable by Mortgagor with interest thereon at a rate of 15% per annum until repaid. All such sums shall be secured by this Mortgage and be a lien on the Premises prior to any right, title, interest or claim in, to or upon the Premises attaching or accruing subsequent to the lien of this Mortgage.

13. That Mortgagor shall not assign, in whole or part, any rents, income or profits arising from the Premises without the prior written consent of Mortgagee. Mortgagor shall not in any manner impair the security of this Mortgage for the payment of the indebtedness secured hereby.

14. That no waiver by Mortgagee of any breach of any covenant of Mortgagor herein contained shall be construed as a waiver of any other breach of the same or any other covenant contained herein.

15. That at any time and all times, Mortgagor shall do, execute, acknowledge, and deliver, or shall cause to be done, executed, acknowledged, and delivered, all and every such further acts, deeds, conveyances, mortgages, transfers, and assurances in law as Mortgagee shall reasonably require for the better assuring, conveying, transferring, mortgaging, pledging, assigning, and confirming unto the Mortgagee all and singular the Premises.

16. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive or any other remedy, but each and every such remedy shall be cumulative. No delay or omission by Mortgagee in exercising any right or

power accruing upon default as hereinbefore in this Mortgage provided shall impair any such right or power or be construed to be a waiver or any such default or acquiescence therein.

D. Giving of Notices. Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to Borrower at the Property Address above or at a different address if the Borrower gives the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in the Promissory Note or at a different address if the Borrower is given a notice of that different address.

E. Payment of Note. The conditions of this Mortgage are such that if Mortgagor shall punctually perform the obligations contained in the Note then this Mortgage shall be void; otherwise, the same shall remain in full force and effect

F. Miscellaneous. The following additional provisions shall be applicable:

1. The enforceability or invalidity of any provision or provisions of this Mortgage shall not render any other provision or provisions herein contained unenforceable or invalid.
2. The terms of this Mortgage shall be binding upon and inure to the benefit of the Mortgagor and Mortgagor's heirs and assigns.
3. This Mortgage shall be governed by the law of the State of Alabama.

THIS PORTION OF THE DOCUMENT INTENTIONALLY LEFT BLANK

Executed by **HGM HOLDINGS, LLC**, By John Giarmarco, its
Managing Member, Mortgagor, this 17th day of DECEMBER, 2019.

MORTGAGOR:

HGM HOLDINGS, LLC


By: **John Giarmarco**
Its: Managing Member

State of California

County of Fresno

Before me, a notary public in and for said county and state, personally appeared the abovenamed **HGM HOLDINGS, LLC** by John Giarmarco, its Managing Member, who acknowledged that he did sign the foregoing instrument on behalf of said **HGM HOLDINGS, LLC** and that the same is his free act and deed individually and as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal
this _____ day of _____ 2019.

NOTARY PUBLIC

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security Number in this document unless required by law.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Fresno)

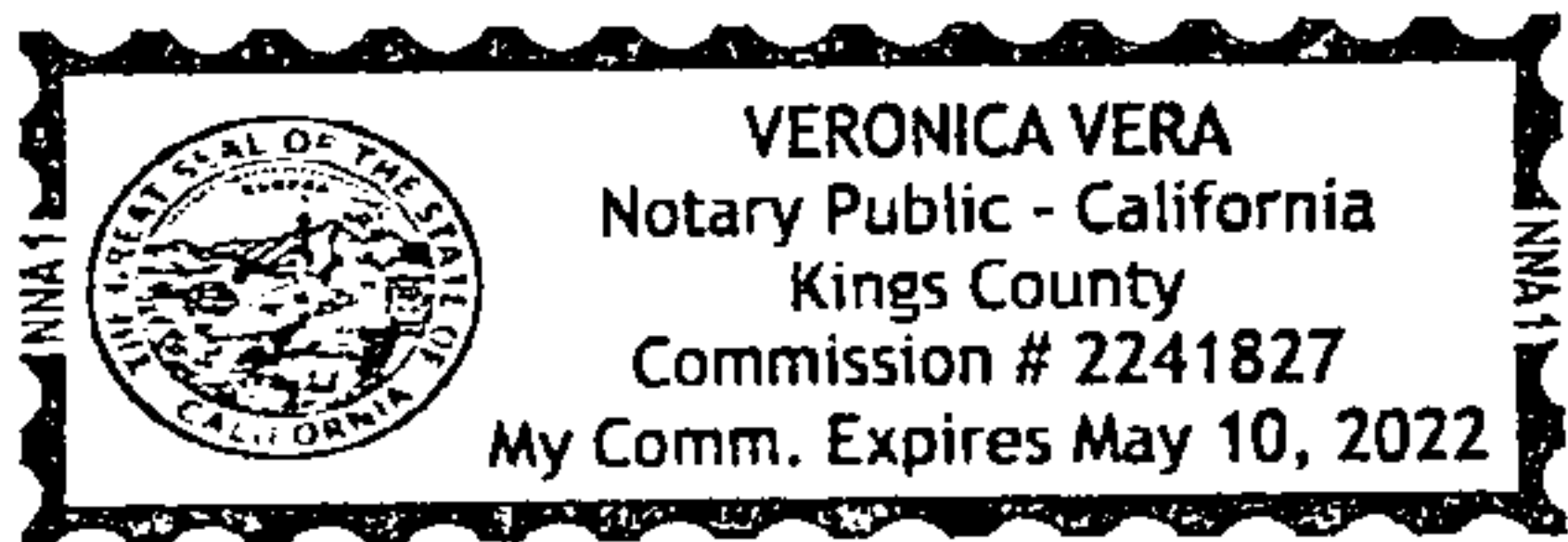
On December 17, 19 before me, Veronica Vera, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared John Giarmarco
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Veronica Vera
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

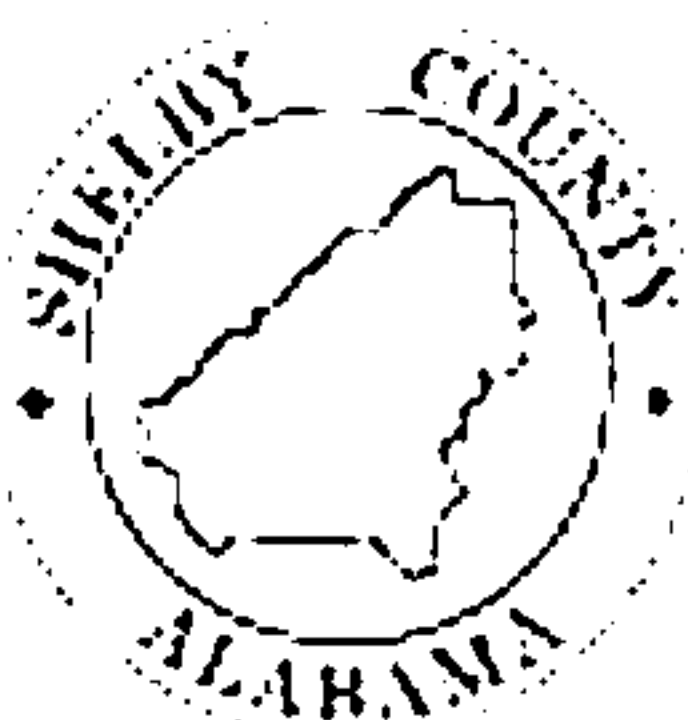
Description of Attached Document

Title or Type of Document: mortgage Deed
Document Date: 12/17/19 Number of Pages: 1
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____



Allen S. Bayl