

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: September 30, 2025

OR

**TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. **000-55611**

**Hubilu Venture Corporation**

(Exact Name of Registrant as Specified in its Charter)

Delaware

47-3342387

(State or other Jurisdiction of  
Incorporation or Organization)

(I.R.S. Employer  
Identification No.)

205 South Beverly Drive, Suite 205  
Beverly Hills, CA  
(Address of Principal Executive Offices)

90212

(Zip Code)

Registrant's telephone number, including area code: (310) 308-7887

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§230.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	HBUV	OTCID

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: As of November 14, 2025 the number of shares outstanding of the issuer's sole class of common stock, \$0.001 par value per share, is 26,237,125.

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**Part I – FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**HUBILU VENTURE CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30, 2025 (Unaudited)	December 31, 2024
<b>ASSETS</b>		
Current assets:		
Cash	107,252	9,799
Accounts receivable	33,206	4,463
Total current assets	<u>140,458</u>	<u>14,262</u>
Real estate:		
Land	15,887,177	14,547,789
Building and capital improvements	8,714,292	7,326,066
Less: accumulated depreciation	(1,151,508)	(953,132)
Total real estate, net	<u>23,449,961</u>	<u>20,920,723</u>
Security deposits	<u>6,600</u>	<u>6,600</u>
<b>Total assets</b>	<b><u>23,597,019</u></b>	<b><u>20,941,585</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Current liabilities:		
Accounts payable	9,695	4,982
Advanced rents received	31,439	27,875
Accrued interest	195,146	87,366
Security deposits payable	205,043	96,440
Due to related party, current maturities	474,271	474,271
Mortgages payable, net of debt discounts, current maturities	1,194,068	1,700,440
Dividends payable	224,891	205,483
Total current liabilities	<u>2,334,553</u>	<u>2,596,857</u>
Mortgages payable, related party	1,017,094	599,594
Mortgages payable, net of debt discounts	21,421,668	18,511,358
Convertible preferred stock payable	<u>520,400</u>	<u>520,400</u>
<b>Total liabilities</b>	<b><u>25,293,715</u></b>	<b><u>22,228,209</u></b>
Stockholders' equity (deficit):		
Common stock, \$0.001 par value, 100,000,000 shares authorized, 26,237,125 shares issued and outstanding	26,237	26,237
Additional paid-in capital	1,034,580	994,279
Accumulated deficit	(2,757,513)	(2,307,140)
Total stockholders' equity (deficit)	<u>(1,696,696)</u>	<u>(1,286,624)</u>
<b>Total liabilities and stockholders' equity (deficit)</b>	<b><u>23,597,019</u></b>	<b><u>20,941,585</u></b>

See accompanying notes to financial statements.

**HUBILU VENTURE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Uaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Rental revenue	628,792	616,393	1,588,731	1,666,452
Operating expenses:				
General and administrative	65,092	37,145	223,081	133,117
Salaries and benefits	16,100	35,300	50,775	69,300
Utilities	16,073	7,760	37,506	26,308
Professional fees	14,495	35,867	87,286	110,167
Property taxes	76,288	44,403	196,848	143,945
Repairs and maintenance	4,395	8,822	160,377	114,610
Depreciation	71,837	64,028	198,376	159,101
Total operating expenses	264,280	233,325	954,249	756,548
Net operating income	364,512	383,068	634,482	909,904
Other income (expense):				
Consulting Income	29,900		43,000	
Interest income	125		481	
Interest expense	(367,980)	(315,229)	(1,084,202)	(828,461)
Dividends expense	(6,541)	(6,541)	(19,408)	(19,479)
Gain/(Loss) on early extinguishment of debt	(16,487)	5,224	(26,716)	(58,179)
Other Income	-		1,990	
Total other income (expense)	(360,983)	(316,546)	(1,084,855)	(906,119)
Net Income/(loss)	3,529	66,522	(450,373)	3,785
Weighted average common shares outstanding - basic	26,237,125	26,237,125	26,237,125	26,237,125
Net loss per common share - basic	\$ 0.000	\$ 0.003	\$ (0.017)	\$ 0.000
Weighted average common shares outstanding - diluted	33,765,317	35,874,162	26,237,125	35,874,162
Net income per common share - diluted	\$ 0.00	\$ 0.00	\$ (0.02)	\$ 0.00

See accompanying notes to financial statements.

**HUBILU VENTURE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)**  
(Uaudited)

For the Three Months Ended September 30, 2025						
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)	
	Shares	Amount				
Balance, June 30, 2025	26,237,125	\$ 26,237	\$ 1,038,672	\$ (2,761,042)	\$ (1,696,133)	
Imputed interest	-	-	(4,092)			(4,092)
Net Income/(loss)	-	-		3,529	3,529	
Balance, September 30, 2025	<u>26,237,125</u>	<u>\$ 26,237</u>	<u>\$ 1,034,580</u>	<u>\$ (2,757,513)</u>	<u>\$ (1,696,696)</u>	
For the Three Months Ended June 30, 2024						
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)	
	Shares	Amount				
Balance, June 30, 2024	26,237,125	\$ 26,237	\$ 956,726	\$ (2,183,640)	\$ (1,200,677)	
Imputed interest	-	-	20,940			20,940
Net Income/(loss)	-	-		66,522	66,522	
Balance, September 30, 2024	<u>26,237,125</u>	<u>\$ 26,237</u>	<u>\$ 977,666</u>	<u>\$ (2,117,118)</u>	<u>\$ (1,113,215)</u>	
For the Nine Months Ended September 30, 2025						
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)	
	Shares	Amount				
Balance, December 31, 2024	26,237,125	26,237	994,279	\$ (2,307,140)	(1,286,624.00)	
Imputed interest	-	-	40,301		-	40,301
Net Income/(loss)	-	-	-	(450,373)	(450,373)	
Balance, September 30, 2025	<u>26,237,125</u>	<u>26,237</u>	<u>1,034,580</u>	<u>\$ (2,757,513)</u>	<u>\$ (1,696,696)</u>	
For the Nine Months Ended September 30, 2024						
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)	
	Shares	Amount				
Balance, December 31, 2023	26,237,125	26,237	911,894	(2,120,903)	(1,182,772)	
Imputed interest	-	-	65,772		-	65,772
Net Income/(loss)	-	-	-	3,785	3,785	
Balance, September 30, 2024	<u>26,237,125</u>	<u>26,237</u>	<u>\$ 977,666</u>	<u>\$ (2,117,118)</u>	<u>\$ (1,113,215)</u>	

See accompanying notes to financial statements.

**HUBILU VENTURE CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Uaudited)

	For the Nine Months Ended September 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (450,373)	\$ 3,785
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	198,376	159,101
Imputed interest	40,301	65,772
Cumulative preferred stock dividends payable	19,408	19,479
Amortization of debt discounts	23,370	-
Loss on early extinguishment of debt	26,716	58,179
Decrease (increase) in current assets:		
Accounts receivable	(28,743)	(673)
Prepaid expenses	-	9,500
Security deposits	-	(18,870)
Increase (decrease) in current liabilities:		
Accounts payable	4,713	(8,984)
Advanced rents received	3,564	(2,690)
Accrued expenses	107,780	49,137
Security deposits payable	108,603	20,967
Net cash provided by operating activities	<u>53,715</u>	<u>354,703</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(735,114)	(1,138,373)
Purchase of investment at Cost	-	(64,940)
Net cash used in investing activities	<u>(735,114)</u>	<u>(1,203,313)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds received from mortgages payable	970,955	1,007,185
Repayments on mortgages payable	(192,103)	(124,702)
Net cash provided by (used in) financing activities	<u>778,852</u>	<u>882,483</u>
<b>NET CHANGE IN CASH</b>	<b>97,453</b>	<b>33,873</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>9,799</b>	<b>24,564</b>
<b>CASH AT END OF PERIOD</b>	<b><u>\$ 107,252</u></b>	<b><u>\$ 58,437</u></b>
<b>SUPPLEMENTAL INFORMATION:</b>		
Interest paid	\$ 898,885	\$ 707,145
Income taxes paid	-	-
Non-cash investing and financing transactions:		
Acquisition of properties financed with debt	<u>\$ 1,992,500</u>	<u>\$ 2,811,900</u>

See accompanying notes to financial statements.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**Note 1 – Nature of Business and Significant Accounting Policies**

**Nature of Business**

Hubilu Venture Corporation (“the Company,” “we,” “our” or “us”) was incorporated under the laws of the state of Delaware on March 2, 2015 and is a real estate consulting, asset management and business acquisition company, which specializes in acquiring student housing and corporate income properties and development/business opportunities located near the Los Angeles Metro/subway stations and within the Los Angeles area.

**Basis of Presentation**

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and the rules of the Securities and Exchange Commission (SEC). Intercompany accounts and transactions have been eliminated.

The unaudited condensed consolidated financial statements of the Company and the accompanying notes included in this Quarterly Report on Form 10-Q are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of the Condensed Consolidated Financial Statements have been included. Such adjustments are of a normal, recurring nature. The Condensed Consolidated Financial Statements, and the accompanying notes, are prepared in accordance with GAAP and do not contain certain information included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024. The interim Condensed Consolidated Financial Statements should be read in conjunction with that Annual Report on Form 10-K. Results for the interim periods presented are not necessarily indicative of the results that might be expected for the entire fiscal year.

**Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of the following entities, all of which were under common control and ownership at September 30, 2025:

Name of Entity	State of Incorporation	Relationship
Hubilu Venture Corporation <sup>(1)</sup>	Delaware	Parent
Akebia Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Boabab Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Elatia Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Kapok Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Lantana Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Mopane Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Sunza Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Trilosa Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary
Zinnia Investments, LLC <sup>(2)</sup>	Wyoming	Subsidiary

(1) Holding company in the form of a corporation.

(2) Wholly-owned subsidiary in the form of a limited liability corporation.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Segment Reporting**

Under ASC 280, *Segment Reporting*, operating segments are defined as components of an enterprise where discrete financial information is available that is evaluated regularly by the chief operating decision maker (“CODM”), in deciding how to allocate resources and in assessing performance. The Company operates as a single segment, consisting of its property leasing operations in the Los Angeles area. Therefore, the Company’s Chief Executive Officer, who is also the CODM, makes decisions and manages the Company’s operations based on the consolidated operating segment.

**Fair Value of Financial Instruments**

The Company discloses the fair value of certain assets and liabilities in accordance with ASC 820 – Fair Value Measurement and Disclosures (ASC 820). Under ASC 820-10-05, the FASB establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of this standard did not have a material effect on the Company’s financial statements as reflected herein. The carrying amounts of cash, accounts receivable, accounts payable and accrued expenses reported on the balance sheets are estimated by management to approximate fair value primarily due to the short-term nature of the instruments.

**Revenue Recognition**

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customer*. Under ASC 606, the Company recognizes revenue from leases with its various tenants under operating leases in accordance with a five-step model in which the Company evaluates the performance obligations in an amount that reflects the consideration which the Company expects to be entitled to receive in exchange for those services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract and (5) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company’s sales are predominantly generated from leasing its properties to various tenants under operating leases. These sales contain a single performance obligation, and revenue is recognized on a straight-line basis using the effective interest method, based on the Company’s borrowing rate, over the life of the leases. The Company records adjustments to revenue for incidentals and move out, or janitorial reimbursements in the same period that the related revenue is recorded.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

Earnings Per Share

The following table shows the computation of basic and diluted earnings per share for the three and nine months ended September 30, 2025 and 2024:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
<b>Numerator:</b>				
Net income	\$ 3,529	\$ 66,522	\$ (450,373)	\$ 3,785
<b>Denominator:</b>				
Weighted-average basic shares outstanding	26,237,125	26,237,125	26,237,125	26,237,125
Effect of dilutive securities	7,528,192	9,637,037	-	9,637,037
Weighted-average diluted shares	<u>33,765,317</u>	<u>35,874,162</u>	<u>26,237,125</u>	<u>35,874,162</u>
Basic earnings per share	\$ 0.00	\$ 0.003	\$ (0.017)	\$ 0.00
Diluted earnings per share	\$ 0.00	\$ 0.00	\$ (0.02)	\$ 0.00

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") that are adopted by the Company as of the specified effective date. If not discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on the Company's financial statements upon adoption.

**Note 2 – Going Concern**

As shown in the accompanying condensed consolidated financial statements, as of September 30, 2025, the Company has incurred recurring losses from operations resulting in an accumulated deficit of \$2,757,513 with negative working capital of \$2,194,095 and cash on hand of \$107,252, which may not be sufficient to sustain operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is actively working to increase occupancy rates to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. Management believes these factors will contribute to achieving profitability. There can be no assurance that we will be successful in achieving these objectives.

The accompanying condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. These condensed consolidated financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities, that might be necessary should the Company be unable to continue as a going concern.

**Note 3 – Fair Value of Financial Instruments**

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

The Company has cash and debts that must be measured under the fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 – Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 – Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balances sheet as of September 30, 2025 and December 31, 2024:

	Fair Value Measurements at September 30, 2025		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Cash	\$ 107,252	\$ -	\$ -
<b>Total assets</b>	<b>107,252</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>			
Due to related party	-	474,271	-
Mortgages payable, related party	-	1,017,094	-
Mortgages payable, net of debt discounts	-	22,615,736	-
Dividends payable	-	224,891	-
Convertible preferred stock payable	-	-	520,400
<b>Total liabilities</b>	<b>-</b>	<b>24,331,992</b>	<b>520,400</b>
	\$ 107,252	\$ (24,331,992)	\$ (520,400)

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

	Fair Value Measurements at December 31, 2024		
	Level 1	Level 2	Level 3
<b>Assets</b>			
Cash	\$ 9,799	\$ -	\$ -
<b>Total assets</b>	<b>9,799</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>			
Due to related party	-	474,271	-
Mortgages payable, related party	-	599,594	-
Mortgages payable	-	20,211,798	-
Dividends payable	-	205,483	-
Convertible preferred stock payable	-	-	520,400
<b>Total liabilities</b>	<b>-</b>	<b>21,491,146</b>	<b>520,400</b>
	\$ 9,799	\$ (21,491,146)	\$ (520,400)

There were no transfers of financial assets or liabilities between Level 1 and Level 2 inputs for the three months ended September 30, 2025 or the year ended December 31, 2024.

**Note 4 - Real Estate**

**Property Acquisitions and Dispositions**

On August 14, 2025, the Company, through its subsidiary, Elata Investments, LLC, closed on the acquisition of the real property located at 417 W 52nd Place in Los Angeles. The property was vacant at the time of purchase. The acquisition was for \$525,000. The Elata purchase is subject to one loan as follows: (1) \$482,500 first position note owing by Elata to Center Street Lending VIII SPE, LLC ("Center Street"), bearing interest on unpaid principal at the rate of 9.990% per annum. Interest only payable in monthly installments of \$3,933.56 or more commenced on October 1, 2025 and continue until August 8, 2026, at which time the entire principal balance together with interest due thereon, shall become due and payable.

On September 24, 2025, the Company, through its subsidiary, Elata Investments, LLC, closed on the acquisition of the real property located at 1460 Exposition Blvd. in Los Angeles. The property was vacant at the time of purchase. The acquisition was for \$520,000. The Elata purchase is subject to one loan as follows: (1) \$478,000 first position note owing by Elata to Center Street Lending VIII SPE, LLC ("Center Street"), bearing interest on unpaid principal at the rate of 9.990% per annum. Interest only payable in monthly installments of \$3,896.10 or more commenced on November 1, 2025 and continue until September 17, 2026, at which time the entire principal balance together with interest due thereon, shall become due and payable.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

Schedule of Real Estate

The Company's real estate investments consisted of the following at September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
Land	\$ 15,887,177	\$ 14,547,789
Buildings and capital improvements	8,714,292	7,326,066
Real estate gross	24,601,469	21,873,855
Less: accumulated depreciation	(1,151,508)	(953,132)
<b>Total real estate, net</b>	<b>23,449,961</b>	<b>\$ 20,920,723</b>

Depreciation and amortization expense totaled \$198,376 and \$159,101 for the nine months ended September 30, 2025 and 2024, respectively.

Summary of Changes in Real Estate Investments

The change in the real estate investments is as follows for the nine months ended September 30, 2025 and the year ended December 31, 2024:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, prior period	\$ 21,873,855	\$ 17,258,999
Acquisitions:	2,335,000	4,089,000
Real estate investment property, at cost	24,208,855	21,347,999
Capital improvements	392,614	525,856
<b>Balance, end of period</b>	<b>\$ 24,601,469</b>	<b>\$ 21,873,855</b>

**Note 5 – Security Deposits**

Security deposits included the following as of September 30, 2025 and December 31, 2024, respectively:

	September 30, 2025	December 31, 2024
Security deposits on office lease	6,600	6,600
Security deposits	<u>6,600</u>	<u>6,600</u>

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**Note 6 – Due to Related Party**

As of September 30, 2025 and December 31, 2024, Jacaranda Investments, Inc., had provided total advances of \$474,271. These advances are unsecured and do not carry a contractual interest rate or repayment terms. In connection with these advances, the Company has recorded imputed interest charges of \$40,301 and \$65,772 for the nine months ended September 30, 2025 and 2024, respectively, which was credited to additional paid-in capital.

**Note 7 – Mortgages Payable, Related Party**

The Company's mortgages payable to related parties are as follows:

	Principal balance		Stated Interest Rate	Maturity Date
	September 30, 2025	December 31, 2024		
2909 South Catalina Street	\$ 599,594	\$ 599,594	6%	20-Apr-29
1434 W. 22nd Street	\$ 167,500	-	8%	31-Dec-29
1650 S. Rimpau Ave	\$ 250,000	-	8%	31-Dec-29
	<u>1,017,094</u>	<u>\$ 599,594</u>		

On April 10, 2017, Esteban Coaloa loaned the Company \$655,000 via an All Inclusive Trust Deed (“AITD”) as part of the purchase of 2909 S. Catalina Street, Los Angeles, CA. This loan is considered a related party loan due to Esteban Coaloa's preferred stock holding. If converted to common stock at the current share price, the conversion would result in Mr. Coaloa owning > 5% of the Company's outstanding common stock. This is an interest only note with principal due on April 20, 2029.

On March 7, 2025, Jacaranda3 Investments, Inc., loaned the Company \$250,000 via a Promissory Note, as part of the purchase of 1650 S. Rimpau Blvd, Los Angeles, CA. This loan is considered a related party loan due to Jacaranda3 Investments, Inc. being owned by David Behrend, our President. This is an interest only note with principal due on December 31, 2029.

On June 1, 2025, Jacaranda3 Investments, Inc., loaned the Company \$183,200 via a Promissory Note, as part of the purchase of 1434 W. 22nd Street, Los Angeles, CA. This loan is considered a related party loan due to Jacaranda3 Investments, Inc. being owned by David Behrend, our President. This is an interest only note with principal due on December 31, 2029.

The Company recognized \$37,175 and \$27,006 of interest expense on notes payable to related parties for the nine months ended September 30, 2024 and 2023, respectively.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**Note 8 - Mortgages Payable**

Mortgages payable consists of the following at September 30, 2025 and December 31, 2024, respectively:

	Principal Balance		Stated Interest Rate	Maturity Date
	September 30, 2025	December 31, 2024		
3711 South Western Avenue	\$ 643,584	\$ 643,584	5.00%	December 1, 2029
2115 Portland Street	982,460	989,827	7.25%	July 1, 2054
4505 Orchard Avenue	617,279	626,052	4.625%	March 1, 2052
3791 S. Normandie Avenue				
-First Note	589,427	596,965	5.225%	April 1, 2052
-Second Note	150,000	150,000	5.00%	March 1, 2029
2029 W. 41 <sup>st</sup> Place	820,000	820,000	6.00%	December 31, 2029
1267 West 38 <sup>th</sup> Street	577,279	585,439	4.975%	June 1, 2051
1618 West 38 <sup>th</sup> Street	639,404	620,003	6.350%	August 1, 2055
4016 Dalton Avenue	581,007	589,219	4.975%	June 1, 2051
1981 Estrella Ave	855,005	867,715	5.225%	June 1, 2051
3921 S. Hill Street				
-First Note	483,263	488,947	6.425%	December 1, 2050
-Second Note	152,000	152,000	6.425%	November 1, 2026
1557 West 29 <sup>th</sup> Street	573,036	582,213	4.975%	June 1, 2051
1650 S Rimpau Blvd	518,745	-	7.125%	June 1, 2055
1434 W 22 <sup>nd</sup> Street	510,853	-	7.5%	June 1, 2055
417 W 52 <sup>nd</sup> Place	482,500	-	9.99%	August 8, 2026
1460 Exposition Blvd.	478,000	-	9.99%	September 17, 2026
3408 S. Budlong Street				
-First Note	577,751	586,874	4.875%	December 1, 2051
-Second Note	120,000	120,000	5.00%	November 1, 2029
3777 Ruthelen Street	677,420	687,052	4.625%	March 1, 2052
1733 W. 37 <sup>th</sup> Place				
-First Note	586,678	591,189	7.225%	April 1, 2052
-Second Note	100,000	100,000	6.00%	March 31, 2029
1457 W. 35 <sup>th</sup> Street				
-First Note	716,442	599,750	7.050%	March 1, 2055
-Second Note	115,000	205,000	6.00%	June 30, 2029
1460 N. Eastern Avenue				
-First Note	658,990	578,000	7.45%	April 1, 2055
-Second Note	305,000	305,000	6.00%	June 30, 2029
4700 S. Budlong Avenue				
-First Note	722,634	728,000	7.125%	December 1, 2054
-Second Note	199,500	199,500	6.00%	March 31, 2029
1659 Roosevelt Avenue				
-First Note	570,000	570,000	6.90%	September 1, 2054
-Second Note	200,000	200,000	6.00%	December 31, 2029
802 E. 25 <sup>th</sup> Street				
-First Note	514,417	518,639	6.71%	September 1, 2054
-Second Note	150,000	150,000	6.00%	December 31, 2029
1100 W. 48 <sup>th</sup> Street				
-First Note	482,809	487,042	6.30%	November 1, 2054
-Second Note	200,000	200,000	6.00%	December 31, 2029
3910 Walton Avenue	728,005	734,051	6.65%	August 1, 2049
3910 Wisconsin Street	658,907	668,468	5.225%	March 1, 2052
4021 Halldale Avenue	738,784	746,011	6.575%	October 1, 2052
717 West 42 <sup>nd</sup> Place				
-First Note	562,500	333,867	6.475%	September 1, 2055
-Second Note	134,968	134,968	6.85%	April 30, 2029
3906 Denker Avenue	624,000	573,765	6.475%	September 1, 2055
4009 Brighton Avenue	686,267	695,844	4.875%	November 1, 2051
4517 Orchard Avenue				
-First Note	458,144	464,047	5.225%	April 1, 2052
-Second Note	158,000	158,000	5.00%	March 1, 2029
3908 Denker Avenue	601,556	609,772	4.975%	December 1, 2051
1284 W. 38 <sup>th</sup> Street				
-First Note	615,287	624,544	4.625%	March 1, 2052

				5.25%	June 30, 2029
				-%	December 31, 2029
-Second Note		188,000	188,000		
Hubilu general loan		<u>275,000</u>	<u>75,000</u>		
Total mortgages payable	\$	22,979,901	\$ 20,544,347		
Less: unamortized debt discounts		<u>364,165</u>	<u>332,549</u>		
Mortgages payable, net of discounts	\$	22,615,736	\$ 20,211,798		
Less: current maturities		<u>1,194,068</u>	<u>1,700,440</u>		
Mortgages payable, long-term portion	\$	<u>21,421,668</u>	<u>\$ 18,511,358</u>		

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

In addition to the mortgages incurred on current period property acquisitions disclosed in Note 4, the Company refinanced the following debts:

On February 5, 2025, the first and second notes for 1457 W 35<sup>th</sup> Street were refinanced for \$720,000 with Investor Mortgage Finance, LLC, whose terms of payments due are principal and interest, on unpaid principal at the rate of 7.050% per annum. Principal and interest payable in monthly installments of \$4,814 or more starting on April 1, 2025, and continuing until the 1<sup>st</sup> day of March 2055, at which time the entire principal balance together with interest due thereon, shall become due and payable.

On March 5, 2025, the first note for 1460 N Eastern Avenue was refinanced for \$661,500 with LendingOne, LLC, whose terms of payments due are principal and interest, on unpaid principal at the rate of 7.45% per annum. Principal and interest payable in monthly installments of \$4,603 or more starting on May 1, 2025, and continuing until the 1<sup>st</sup> day of April 2055, at which time the entire principal balance together with interest due thereon, shall become due and payable.

On July 30, 2025, the first and second notes for 1618 W 35th Street were refinanced for \$640,000 with Investor Mortgage Finance, LLC, whose terms of payments due are principal and interest, on unpaid principal at the rate of 6.350% per annum. Principal and interest payable in monthly installments of \$3,982.31 or more starting on September 1, 2025, and continuing until the 1<sup>st</sup> day of August 2055, at which time the entire principal balance together with interest due thereon, shall become due and payable.

On August 4, 2025, the first note for 717 W 42nd Place was refinanced for \$562,500 with Investor Mortgage Finance, LLC, whose terms of payments due are principal and interest, on unpaid principal at the rate of 6.475% per annum. Principal and interest payable in monthly installments of \$3,546.14 or more starting on October 1, 2025, and continuing until the 1<sup>st</sup> day of September 2055, at which time the entire principal balance together with interest due thereon, shall become due and payable.

On August 4, 2025, the first and second notes for 3906 Denker Avenue were refinanced for \$624,000 with Investor Mortgage Finance, LLC, whose terms of payments due are principal and interest, on unpaid principal at the rate of 6.475% per annum. Principal and interest payable in monthly installments of \$3,933.85 or more starting on October 1, 2025, and continuing until the 1<sup>st</sup> day of September 2055, at which time the entire principal balance together with interest due thereon, shall become due and payable.

The Company realized a \$26,716 loss on early extinguishment of debt related to refinancing notes payable during the nine months ended September 30, 2025.

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**Note 9 – Convertible Preferred Stock Payable**

The Company has authorized 10,000,000 shares of preferred stock, and designated 100,000 and 2,000,000 shares of 5% voting, cumulative convertible Series A (“Series A”) and Series 1 (“Series 1”) preferred stock (collectively, “Preferred Stock”), respectively.

The Series A matures on September 30, 2030, and Series 1 matures on September 30, 2029.

The Preferred Stock has the following rights and privileges:

*Voting* – The holders of the Preferred Stock shall be entitled to the number of votes equal to the number of shares of common stock into which such shares of Preferred Stock could be converted.

*Conversion* – Each share of Series A preferred stock, is convertible at the option of the holder, into shares of common stock, equal to three hundred thirty-three and 33/100 (333 1/3) shares of common stock, calculated by dividing the number of Series A preferred shares by \$0.003. The Series A preferred stock is also subject to certain adjustments for dilution, if any, resulting from future stock issuances, including for any subsequent issuance of common stock at a price per share less than that paid by the holders of the preferred stock.

Each share of Series 1 preferred stock, is convertible at the option of the holder, into shares of common stock, at the lesser of \$0.50 per share or a ten percent (10%) discount to the average closing bid price of the common stock 5 days prior to the notice of conversion. The Series 1 preferred stock is also subject to certain adjustments for dilution, if any, resulting from future stock issuances, including for any subsequent issuance of common stock at a price per share less than that paid by the holders of the preferred stock.

*Dividends* – The holders of the Preferred Stock in preference to the holders of common stock, are entitled to receive dividends at the rate of 5% per annum, in kind, which shall accrue quarterly. Such dividends are cumulative. No such dividends have been declared to date.

*Liquidation* – In the event of any liquidation, dissolution, winding-up or sale or merger of the Company, whether voluntarily or involuntarily, each holder of Preferred Stock is entitled to receive, in preference to the holders of common stock, a per-share amount equal to the original issue price of \$1.00 (as adjusted, as defined), plus all declared but unpaid dividends.

The predominant settlement obligation of the convertible preferred stock was considered to be the issuance of a variable number of shares to settle a fixed monetary amount. Thus, these shares are scoped into the guidance of ASC 480-10 and are accounted for as a liability.

No shares of Series A preferred stock have been issued to date. Outstanding Series 1 preferred stock is as follows:

	<b>Shares</b>	<b>Amount</b>	<b>Dividend in Arrears</b>	<b>Total</b>
Balance, December 31, 2024	520,400	\$ 520,400	\$ 205,483	\$ 725,883
Dividends accrued	-	-	19,408	19,408
<b>Balance, September 30, 2025</b>	<b>520,400</b>	<b>\$ 520,400</b>	<b>\$ 224,891</b>	<b>\$ 745,291</b>

**HUBILU VENTURE CORPORATION**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**Note 10 – Commitments and Contingencies**

**Legal Matters**

From time to time, the Company may be a party to various legal matters, threatened claims, or proceedings in the normal course of business. Legal fees and other costs associated with such actions are expensed as incurred. The Company assesses, in conjunction with its legal counsel, the need to record a liability for litigation and contingencies. Legal accruals are recorded when and if it is determined that a loss related to a certain matter is both probable and reasonably estimable.

**Note 11 – Changes in Stockholders’ Equity (Deficit)**

**Common Stock**

The Company has authorized 100,000,000 shares of \$0.001 par value common stock. As of September 30, 2025, a total of 26,237,125 shares of common stock had been issued. Each holder of common stock is entitled to one vote for each share of common stock held.

No shares of common stock were issued during the nine months ended, September 30, 2025.

**Note 12 – Income Taxes**

The Company accounts for income taxes under FASB ASC 740-10, which requires use of the liability method. FASB ASC 740-10-25 provides that deferred tax assets and liabilities are recorded based on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences.

For the nine months ended September 30, 2025, and the year ended December 31, 2024, the Company incurred a net operating loss and, accordingly, no provision for income taxes has been recorded. In addition, no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets. At September 30, 2025, the Company had approximately \$2,962,908 of federal net operating losses. The net operating loss carry forwards, if not utilized, will begin to expire in 2025.

Based on the available objective evidence, including the Company’s history of its loss, management believes it is more likely than not that the net deferred tax assets will not be fully realizable. Accordingly, the Company provided for a full valuation allowance against its net deferred tax assets at September 30, 2025 and December 31, 2024, respectively.

In accordance with FASB ASC 740, the Company has evaluated its tax positions and determined there are no uncertain tax positions.

**Note 13 – Segment Reporting**

ASC Topic 280, “Segment Reporting,” establishes standards for companies to report in their financial statement information about operating segments, products, services, geographic areas, and major customers. Operating segments are defined as components of an enterprise for which separate financial information is available that is regularly evaluated by the Company’s chief operating decision maker, or group, in deciding how to allocate resources and assess performance. The Company’s Chief Executive Officer has been identified as the chief operating decision maker (“CODM”), who reviews the operating results for the Company as a whole to make decisions about allocating resources and assessing financial performance. Accordingly, we determined we operate in a single reporting segment – being a provider of rental properties in a single geographic area.

As of September 30, 2025, the Company’s total real estate, net of accumulated depreciation, was \$23,449,961. All of the Company’s properties are located in Los Angeles, CA. When evaluating the Company’s performance and making key decisions regarding resource allocation the CODM reviews several key metrics, which include the following:

	For the Nine Months Ended	
	September 30,	
	2025	2024
Rental revenue	1,588,731	1,666,452
Depreciation	198,376	159,101
Other Operating Expenses	755,873	597,447
Net operating income	634,482	909,904
Interest Expense	(1,084,202)	(828,461)
Other income (expense):	(653)	(77,658)
Net Income (Loss)	(450,373)	3,785

The key measures of segment profit or loss reviewed by our CODM are rental revenues, depreciation on properties, and interest expenses. The CODM reviews rental revenue to measure and monitor stockholder value and determine the most effective strategy of real estate investment. Depreciation and interest expenses are reviewed and monitored by the CODM to manage and forecast cash to ensure enough capital is available to fund operations. The CODM also reviews other general and administrative costs to manage, maintain and enforce all contractual agreements to ensure costs are aligned with all agreements and budget.

**Note 14 - Subsequent Events**

During the third quarter, no subsequent events occurred.

## **Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operations**

*You should read the following discussion of our financial condition and results of operations in conjunction with the condensed consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our audited financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2024. In addition to historical condensed financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements.*

### **Overview**

We were incorporated under the laws of the state of Delaware on March 5, 2015, and are a real estate consulting, asset management and business acquisition company, which specializes in acquiring student housing income properties and development/business opportunities located near within the Los Angeles area.

Due to high demand for houses from students, non-profit, and for-profit corporate tenants around the USC Campus and neighboring Metro/subway stations, we have focused on acquiring multiple houses, remodeling and renting out. Rents have increased dramatically for houses in our target areas, allowing us to target larger and higher priced houses, while factoring in current interest rates.

With multiple properties within a small radius, we're able to take advantage of economies of scale and benefit from property management efficiencies. Our focus is to continue acquiring houses and expand rental operations.

We purchased two new properties during the third quarter of 2025, and entered into agreements to acquire two additional properties during the fourth quarter of 2024, bringing our total properties under management to thirty-five. All properties have been purchased in conjunction with various debt financing arrangements.

### **Going Concern Uncertainty**

As of September 30, 2025, our balance of cash on hand was \$107,252, and we had negative working capital of \$2,194,095 and an accumulated deficit of \$2,757,513. We expect to incur further losses in the development of its business; therefore, we may not have sufficient funds to sustain our operations for the next twelve months and we may need to raise additional cash to fund our operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. In the event revenues do not materialize at the expected rates, management would seek additional financing and would attempt to conserve cash by further reducing expenses. There can be no assurance that we will be successful in achieving these objectives.

The condensed consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. The condensed consolidated financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern. Our ability to acquire new properties and increase revenues is largely dependent on our success in raising additional capital.

## Results of Operations for the Three Months Ended September 30, 2025 and 2024

The following table summarizes selected items from the statement of operations for the three months ended September 30, 2025 and 2024, respectively.

	For the Three Months Ended September 30,		Increase/(Decrease)
	2025	2024	
Rental revenue	628,792	616,393	12,399
<b>Operating expenses:</b>			
General and administrative	65,092	37,145	27,947
Salaries and benefits	16,100	35,300	(19,200)
Utilities	16,073	7,760	8,313
Professional fees	14,495	35,867	(21,372)
Property taxes	76,288	44,403	31,885
Repairs and maintenance	4,395	8,822	(4,427)
Depreciation	71,837	64,028	7,809
<b>Total operating expenses</b>	<b>264,280</b>	<b>233,325</b>	<b>30,955</b>
Net operating income	364,512	383,068	(18,556)
<b>Other income (expense):</b>			
Consulting Income	29,900		29,900
Interest income	125		125
Interest expense	(367,980)	(315,229)	(70,509)
Dividends expense	(6,541)	(6,541)	0
Loss on early extinguishment of debt	(16,487)	5,224	(21,711)
Other Income	-		-
<b>Total other income (expense)</b>	<b>(360,983)</b>	<b>(316,546)</b>	<b>(62,195)</b>
Net loss	3,529	66,522	(80,751)

### Revenues

Our total revenues increased to \$628,792 for the three months ended September 30, 2025, compared to \$616,393 for the three months ended September 30, 2024, an increase of \$12,399, or 2%. The increase is due primarily to additional rental properties acquired during the current period.

### General and Administrative

General and administrative expenses for the three months ended September 30, 2025 was \$65,092, compared to \$37,145 for the three months ended September 30, 2024, an increase of \$27,947, or 75%. General and administrative expenses increased primarily due to increased property management costs incurred during the current period.

### Salaries and Benefits

Salaries and benefits expenses for the three months ended September 30, 2025 was \$16,100, compared to \$35,300 for the three months ended September 30, 2024, a decrease of \$19,200, or 54%. Salaries and benefits decreased primarily due to decreased compensation paid to our vice president during the current period.

## **Utilities**

Utilities expense for the three months ended September 30, 2025 was \$16,074, compared to \$7,760 for the three months ended September 30, 2024, an increase of \$8,314, or 107%. Utilities expense increased due to additional tenants that have not reimbursed the Company for their share of utilities during the current period.

## **Professional Fees**

Professional fees for the three months ended September 30, 2025 was \$14,495, compared to \$35,867 for the three months ended September 30, 2024, a decrease of \$21,372, or 60%. Professional fees consisted of legal, audit and accounting fees, which increased primarily due to increased compliance costs related to our public filings with the SEC, and legal costs related to the acquisition of properties acquired during the current period.

## **Property Taxes**

Property tax expense for the three months ended September 30, 2025 was \$76,288, compared to \$44,403 for the three months ended September 30, 2024, an increase of \$31,855, or 72%. The increase is primarily due to the acquisition of additional properties during the current period.

## **Repairs and Maintenance**

Repairs and maintenance expense for the three months ended September 30, 2025 was \$4,395, compared to \$8,822 for the three months ended September 30, 2024, a decrease of \$4,427, or 50%. Repairs and maintenance expense decreased due to less repairs on certain properties during the current period.

## **Depreciation**

Depreciation expense for the three months ended September 30, 2025 was \$71,837, compared to \$64,028 for the three months ended September 30, 2024, an increase of \$7,809, or 12%. Depreciation expense decreased during the current period due to recent property acquisitions now being depreciated.

## **Other Income (Expense)**

Other expense for the three months ended September 30, 2025 was \$360,983, compared to \$316,546 for the three months ended September 30, 2024, an increase of \$44,437, or 14%. During the three months ended September 30, 2024, other expense consisted of \$6,541 of dividends expense, \$367,980 of interest expense, and a \$16,487 loss on early extinguishment of debt. It also includes other income of \$29,900 as consulting income and \$125 as interest income. During the three months ended September 30, 2024, other expense consisted of \$6,541 of dividends expense, \$315,229 of interest expense and a \$5,224 gain on early extinguishment of debt related to the refinancing of one of our mortgages.

## **Net Loss (income)**

Net income for the three months ended September 30, 2025 was \$3,529, compared to net income of \$66,522 for the three months ended September 30, 2024, a decrease of \$62,933. The increased net loss was primarily due to increased general and administrative expense, property tax, repairs and maintenance costs and interest expense, as partially offset by increased revenues during the current period.

## Results of Operations for the Nine Months Ended September 30, 2025 and 2024

The following table summarizes selected items from the statement of operations for the nine months ended September 30, 2025 and 2024, respectively.

	For the Nine Months Ended September 30,		
	2025	2024	Increase/(Decrease)
Rental revenue	1,588,731	1,666,452	(77,721)
<b>Operating expenses:</b>			
General and administrative	223,081	133,117	89,964
Salaries and benefits	50,775	69,300	(18,525)
Utilities	37,506	26,308	11,198
Professional fees	87,286	110,167	(22,881)
Property taxes	196,848	143,945	52,903
Repairs and maintenance	160,377	114,610	45,767
Depreciation	198,376	159,101	39,275
<b>Total operating expenses</b>	<b>954,249</b>	<b>756,548</b>	<b>197,702</b>
Net operating income	634,482	909,904	(275,423)
<b>Other income (expense):</b>			
Consulting Income	43,000		43,000
Interest income	481		481
Interest expense	(1,084,202)	(828,461)	(273,499)
Dividends expense	(19,408)	(19,479)	71
Loss on early extinguishment of debt	(26,716)	(58,179)	31,463
Other Income	1,990		1,990
<b>Total other income (expense)</b>	<b>(1,084,855)</b>	<b>(906,119)</b>	<b>(196,494)</b>
Net loss	(450,373)	3,785	(471,918)

### Revenues

Our total revenues increased to \$1,588,731 for the nine months ended September 30, 2025, compared to \$1,666,452 for the nine months ended September 30, 2024, a decrease of \$77,721, or 5%. The decrease is due to decreased rental rates and occupancies during the current period.

### General and Administrative

General and administrative expenses increased to \$223,081 for the nine months ended September 30, 2025, compared to \$133,117 for the nine months ended September 30, 2024, an increase of \$89,964, or 68%. General and administrative expenses increased primarily due to increased property management costs incurred during the current period.

### Salaries and Benefits

Salaries and benefits expenses for the nine months ended September 30, 2025 was \$50,775, compared to \$69,300 for the nine months ended September 30, 2024, an increase of \$18,525, or 27%. Salaries and benefits decreased primarily due to decreased compensation paid to our vice president during the current period.

## **Utilities**

Utilities expense for the nine months ended September 30, 2025 was \$37,506, compared to \$26,300 for the nine months ended September 30, 2024, an increase of \$11,198, or 43%. Utilities expense increased due to additional tenants that have not reimbursed the Company for their share of utilities during the current period.

## **Professional Fees**

Professional fees for the nine months ended September 30, 2024 was \$87,286, compared to \$110,167 for the nine months ended September 30, 2024, an increase of \$22,881 or 21%. Professional fees consisted of legal, audit and accounting fees, which increased primarily due to increased audit work, compliance costs related to our public filings with the SEC, and legal costs related to the acquisition of properties acquired during the current period.

## **Property Taxes**

Property tax expense for the nine months ended September 30, 2025 was \$196,848, compared to \$143,945 for the nine months ended September 30, 2024, an increase of \$52,903, or 37%. The increase is primarily due to the acquisition of additional properties during the current period.

## **Repairs and Maintenance**

Repairs and maintenance expense for the nine months ended September 30, 2025 was \$160,377, compared to \$114,610 for the nine months ended September 30, 2024, an increase of \$45,767, or 40%. Repairs and maintenance expense increased due to greater repairs on certain properties during the current period.

## **Depreciation**

Depreciation expense for the nine months ended September 30, 2025 was \$198,376, compared to \$159,101 for the nine months ended September 30, 2024, an increase of \$39,275, or 25%. Depreciation expense increased during the current period due to acquiring new assets during this period.

## **Other Income (Expense)**

Other expense for the nine months ended September 30, 2025 was \$1,084,855 compared to \$906,119 for the nine months ended September 30, 2024, an increase of \$178,736, or 20%. During the nine months ended September 30, 2024, other expense consisted of \$19,408 of dividends expense, \$1,084,202 of interest expense, and a \$26,716 loss on early extinguishment of debt. It also include consulting income of \$43,000 and interest income of \$481. During the nine months ended September 30, 2024, other expense consisted of \$19,479 of dividends expense, \$828,461 of interest expense, and \$58,179 loss on early extinguishment of debt related to the refinancing of two of our mortgages.

## **Net Loss (income)**

Net loss for the nine months ended September 30, 2025 was \$450,373, compared to net income of \$3,785 for the nine months ended September 30, 2024, a decrease of \$454,158, or 11,999%. The increased net loss was primarily due to increased operating expenses and interest expense, as partially offset by increased revenues during the current period.

## Liquidity and Capital Resources

The following table summarizes our total current assets, liabilities and working capital as of September 30, 2025 and December 31, 2024.

	September 30, 2025	December 31, 2024
Current Assets	\$ 140,458	\$ 14,262
Current Liabilities	\$ 2,334,553	\$ 2,596,857
Working Capital Deficit	\$ (2,194,095)	\$ (2,582,595)

As of September 30, 2025 we had negative working capital of \$2,194,095. We have incurred net losses since our inception and we anticipate net losses and negative operating cash flows for the near future, and we may not be profitable or realize growth in the value of our assets. To date, our primary sources of capital have been cash generated from rental income and debt financing. As of September 30, 2025, we had cash of \$107,252, total liabilities of \$25,293,715, and an accumulated deficit of \$2,757,513. As of December 31, 2024, we had cash of \$9,799, total liabilities of \$22,228,209, and an accumulated deficit of \$2,307,140.

## Cash Flow

### Comparison of the Nine Months Ended September 30, 2025 and the Nine Months Ended September 30, 2024

The following table sets forth the primary sources and uses of cash for the periods presented below:

	Nine Months Ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 53,715	\$ 354,703
Net cash used in investing activities	(735,114)	(1,203,313)
Net cash provided by (used in) financing activities	<u>778,852</u>	<u>882,483</u>
Net change in cash	\$ 97,453	\$ 33,873

#### Net Cash Provided by Operating Activities

Net cash provided by operating activities was \$53,715 for the nine months ended September 30, 2025, compared to \$354,703 for the nine months ended September 30, 2024, a decrease of \$300,988, or 85%. The decrease was primarily due to higher expenses in the current period.

#### Net Cash Used in Investing Activities

Net cash used in investing activities was \$735,114 for the nine months ended September 30, 2025, compared to \$1,203,313 for the nine months ended September 30, 2024, a decrease of \$468,199, or 39%. This decrease was primarily attributable to purchasing less properties in the current period.

#### Net Cash Provided by (Used in) Financing Activities

Net cash provided by financing activities was \$778,852, for the nine months ended September 30, 2025, compared to net cash provided by financing activities of \$882,483 for the nine months ended September 30, 2024, a decrease of \$103,631 or 12%. Our decreased cash provided by financing activities was primarily due to decreased proceeds received and increased repayments on debt financing received in the current period.

## CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our financial results are affected by the selection and application of accounting policies and methods. In the nine-month period ended September 30, 2025 there were no changes to the application of critical accounting policies disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

## **CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS**

This report includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements in this report, other than statements of historical fact, are “forward-looking statements” for purposes of these provisions, including any projections of earnings, revenues or other financial items, any statements of the plans and objectives of our management for future operations, any statements concerning proposed new products or services, any statements regarding the integration, development or commercialization of the business or any assets acquired from other parties, any statements regarding future economic conditions or performance, and any statements of assumptions underlying any of the foregoing. In some cases, forward-looking statements can be identified by the use of terminology such as “may,” “will,” “expects,” “plans,” “anticipates,” “intends,” “seeks,” “believes,” “estimates,” “potential,” “forecasts,” “continue,” or other forms of these words or similar words or expressions, or the negative thereof or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations or any of the forward-looking statements will prove to be correct, and actual results will likely differ, and could differ materially, from those projected or assumed in the forward-looking statements. Investors are cautioned not to unduly rely on any such forward-looking statements.

All subsequent forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Our actual results will likely differ, and may differ materially, from anticipated results. Financial estimates are subject to change and are not intended to be relied upon as predictions of future operating results. All forward-looking statements included in this report are made as of the date hereof and are based on information available to us as of such date. We assume no obligation to update any forward-looking statement. If we do update or correct one or more forward-looking statements, investors and others should not conclude that we will make additional updates or corrections.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

The Company is not required to provide the information required by this Item as it is a “smaller reporting company,” as defined in Rule 12b-2 of the Exchange Act.

### **Item 4. Controls and Procedures**

#### **Evaluation of Disclosure Controls and Procedures**

We conducted an evaluation, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, who are one in the same, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(f) under the Securities Exchange Act of 1934 as amended (the “Exchange Act”). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were not effective. In performing the above-referenced assessment, our management identified the following material weaknesses:

- The Company does not have adequate segregation of duties in the handling of their financial reporting. This is caused by a very limited number of personnel.
- The Company’s system of internal controls failed to identify multiple journal entries that were identified by the Company’s external auditor.
- The Company has no formal control process related to the identification and approval of related party transactions.
- The Company’s accounting staff does not have sufficient technical accounting knowledge relating to accounting for income taxes and complex US GAAP matters.

We believe the weaknesses and their related risks are not uncommon in a company of our size because of the limitations in the size and number of staff. Due to our size and nature, segregation of all conflicting duties has not always been possible and may not be economically feasible. However, we plan to take steps to enhance and improve the design of our internal control over financial reporting. During the period covered by this quarterly report on Form 10-Q, we have not been able to remediate the material weaknesses identified above. To remediate such weaknesses, we plan to implement the appointment of additional qualified personnel to address inadequate segregation of duties and implement modifications to our financial controls to address such inadequacies, by the end of our 2025 fiscal year as resources allow.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

#### **Changes in Internal Control Over Financial Reporting**

During the nine-month period ended September 30, 2025, there has been no change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **PART II — OTHER INFORMATION**

### **Item 1. Legal Proceedings**

We may become, from time to time, involved in routine litigation or subject to disputes or claims related to our business activities. We are not currently party to any pending legal proceedings that we believe would, individually or in the aggregate, have a material adverse effect on our financial condition, cash flows or results of operations.

### **Item 1A. Risk Factors**

The Company is not required to provide the information required by this Item as it is a “smaller reporting company,” as defined in Rule 12b-2 of the Exchange Act.

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

None.

### **Item 3. Defaults Upon Senior Securities**

None.

### **Item 4. Mine Safety Disclosures**

None.

### **Item 5. Other Information**

None.

## Item 6. Exhibits

Exhibit	Description of Document
3.1	<a href="#">Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of Form S-1 filed with the Securities and Exchange Commission by Hubilu Venture Corporation on May 21, 2015)</a>
3.2	<a href="#">Certificate of Correction of Certificate of Incorporation (incorporated by reference to Exhibit 3.1a of Form S-1 filed with the Securities and Exchange Commission by Hubilu Venture Corporation on May 21, 2015)</a>
3.3	<a href="#">Bylaws (incorporated by reference to Exhibit 3.2 of Form S-1 filed with the Securities and Exchange Commission by Hubilu Venture Corporation on May 21, 2015)</a>
3.4	<a href="#">Form of Stock Certificate (incorporated by reference to Exhibit 3.3 of Form 8-A12G filed with the Securities and Exchange Commission by Hubilu Venture Corporation on April 21, 2016)</a>
4.1	<a href="#">Certificate of Designations of 5% Voting, Cumulative Convertible Series A Preferred Stock (incorporated by reference to Exhibit 4.1 of Form 10-Q filed with the Securities and Exchange Commission by Hubilu Venture Corporation on November 21, 2016)</a>
4.2	<a href="#">Certificate of Designations of 5% Voting, Cumulative Convertible Series 1 Preferred Stock (incorporated by reference to Exhibit 4.2 of Form 10-Q filed with the Securities and Exchange Commission by Hubilu Venture Corporation on November 21, 2016)</a>
4.3	<a href="#">Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.3 of Form 10-K filed with the Securities and Exchange Commission by Hubilu Venture Corporation on April 16, 2024)</a>
10.1*	<a href="#">Fixed Rate Note Secured by Deed of Trust, dated as of February 5, 2025, among Mopane Investments, LLC and Investor Mortgage Finance, LLC</a>
10.2*	<a href="#">Commercial Promissory Note Secured by Deed of Trust, dated as of March 5, 2025, among Mopane Investments, LLC and LendingOne, LLC</a>
10.3*	<a href="#">Fixed Adjustable Rate Note Secured by Deed of Trust, dated as of May 7, 2025, among Elata Investments, LLC and Investor Mortgage Finance, LLC</a>
10.4*	<a href="#">Promissory Note Secured by Deed of Trust, dated as of May 8, 2025, among Elata Investments, LLC and Jacaranda3 Investments, Inc.</a>
10.5*	<a href="#">Promissory Note Secured by Deed of Trust, dated May 27, 2025, among Elata Investments, LLC and Vontive, Inc.</a>
10.6*	<a href="#">Promissory Note Secured by Deed of Trust, dated as of June 1, 2025, among Elata Investments, LLC and Jacaranda3 Investments, Inc.</a>
10.7*	<a href="#">Fixed Adjustable Rate Note Secured by Deed of Trust, dated July 30, 2025, among Elata Investments, LLC Investor Mortgage Finance, LLC.</a>
10.8*	<a href="#">Fixed Adjustable Rate Note Secured by Deed of Trust, dated August 4, 2025, among Trilosa Investments, LLC Investor Mortgage Finance, LLC.</a>
10.9*	<a href="#">Fixed Adjustable Rate Note Secured by Deed of Trust, dated August 4, 2025, among Trilosa Investments, LLC Investor Mortgage Finance, LLC.</a>
10.10*	<a href="#">Promissory Note Secured by Deed of Trust, dated as of August 8, 2025, among Elata Investments, LLC and Center Street Lending VIII SPE, LLC.</a>
10.11*	<a href="#">Promissory Note Secured by Deed of Trust, dated as of September 17, 2025, among Elata Investments, LLC and Center Street Lending VIII SPE, LLC.</a>
31.1*	<a href="#">Certification of the Chief Executive Officer pursuant to Securities Exchange Act of 1934 Rule 13a-14(a) or 15d-14(a)</a>
31.2*	<a href="#">Certification of the Chief Financial Officer pursuant to Securities Exchange Act of 1934 Rule 13a-14(a) or 15d-14(a)</a>
32.1*	<a href="#">Certification of the Chief Executive Officer pursuant to Securities Exchange Act of 1934 Rule 13a-14(b) or 15d-14(b) and 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2*	<a href="#">Certification of the Chief Financial Officer pursuant to Securities Exchange Act of 1934 Rule 13a-14(b) or 15d-14(b) and 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE*	Inline XBRL Taxonomy Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Filed herewith.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

### HUBILU VENTURE CORPORATION

November 17, 2025

*/s/ David Behrend*

David Behrend

Chairman and Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Accounting and Financial Officer)

Loan No.: 1506379  
MIN No.: 1017191-0001506379-1

## FIXED RATE NOTE

February 05, 2025

Warwick, Rhode Island

1457 W 35th St  
Los Angeles, CA 90018  
[Property Address]

### 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. **\$720,000.00** (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is **Investor Mortgage Finance LLC**. I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder".

### 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of **7.050%**.

The interest rate required by this Section 2 is the rate I will pay before any default described in Section 6(B) of this Note. The interest rate I will pay after any default described in Section 6(B) of this Note is described in Section 6(F) of this Note.

### 3. PAYMENTS

#### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the **First** day of each month beginning on **April 01, 2025**. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on **March 01, 2055**, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date".

I will make my monthly payments at

**Investor Mortgage Finance LLC**  
1905 Kramer Lane, Ste. B700  
Austin, TX 78758

or at a different place if required by the Note Holder.

#### (B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. **\$4,814.38**.

### 4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under this Note.

In the event of a Prepayment, in whole or in part, a prepayment penalty rate shall be assessed as follows:

- 1) If the Prepayment occurs on or before the first anniversary date of the loan, the prepayment penalty will equal five percent (5%) of the Principal amount prepaid.
- 2) If the Prepayment occurs after the first anniversary date, but on or before the second anniversary date, the prepayment penalty will equal four percent (4%) of the Principal amount prepaid.
- 3) If the Prepayment occurs after the second anniversary date, but on or before the third anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
- 4) If the Prepayment occurs after the third anniversary date, but on or before the fourth anniversary date, the prepayment penalty will equal two percent (2%) of the Principal amount prepaid.
- 5) If the Prepayment occurs after the fourth anniversary date, but on or before the fifth anniversary date, the prepayment penalty will equal one percent (1%) of the Principal amount prepaid.

A prepayment penalty shall not apply if the Prepayment occurs after the fifth anniversary date. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes.

## 5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## 6. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be the greater of U.S. \$5.00 or 5.000% of the overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

If I occupy or claim the property as a primary or secondary residence I will be in default. If any of my immediate family members occupy or claim the property as their primary or secondary residence, I will be in default. If I am entering into this agreement on behalf of a business entity, and any member, partner, officer, trustee, owner, beneficiary or employee of the Borrower, or any immediate family members of the same, occupies the property as a primary or secondary residence, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

### (F) Default Rate of Interest

If I am in default the interest rate that I am required to pay as described in Section 2 of this Note will be increased by 4.000%. For example, if the interest rate described in Section 2 is 7.000% and I am in default, my interest rate will increase to 11.000% until I am no longer in default. The default rate of interest shall apply when I am in default and for the period following acceleration of this Note until all amounts due under this Note and the Security Instrument are paid in full.

## 7. GIVING OF NOTICES

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

Unless the Note Holder requires a different method, 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 Section 3(A) above or at a different address if I am given a notice of that different address.

## 8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## 9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid. Class Action Waiver: Any claim must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective,

representative, multiple plaintiffs, or similar proceeding (the "Class Action"). I expressly waive any ability to maintain any Class Action in any forum. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction.

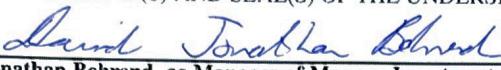
**10. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

  
\_\_\_\_\_  
David Jonathan Behrend, as Manager of Mopane Investments, LLC, a  
Wyoming Limited Liability Company (Seal)  
-Borrower

[Sign Original Only]

## COMMERCIAL PROMISSORY NOTE

This COMMERCIAL PROMISSORY NOTE ("Note") is entered into as **March 5, 2025** ("Disbursement Date"), and FOR VALUE RECEIVED, the undersigned, **Mopane Investments LLC, a Wyoming limited liability company**, having an address of **205 South Beverly Drive #205, Beverly Hills, CA 90212** (together with such party's or parties' successors and assigns, "Maker"), jointly and severally (if more than one) promises to pay to the order of LendingOne, LLC, a Delaware Limited Liability Company, at its principal place of business at 777 Yamato Road, Suite 510, Boca Raton, FL 33487 (together with such party's or parties' successors and assigns, "Lender"), or at such other place as the holder hereof may designate, **SIX HUNDRED SIXTY-ONE THOUSAND FIVE HUNDRED DOLLARS (\$661,500.00)**, with interest on the unpaid principal balance, as hereinafter provided, together with all taxes assessed upon this Note and together with any costs, expenses, and reasonable attorney's fees incurred in the collection of this Note or in protecting, maintaining, or enforcing its security interest or any mortgage, deed of trust or other instrument securing this Note or upon any litigation or controversy affecting this Note or the security given therefor, including, without limitation, proceedings under the United States Bankruptcy Code.

### 1. Defined Terms.

"Event of Default" and other capitalized terms used but not defined in this Note shall have the meanings given to such terms in the Security Instrument. In addition to the defined terms found elsewhere in this Note, as used in this Note, the following definitions shall apply:

**1.1. Business Day.** Any day other than a Saturday, a Sunday or any other day on which Lender or the national banking associations are not open for business.

**1.2. Default Rate.** An annual interest rate equal to **TWENTY-FOUR PERCENT (24.00%)**. However, at no time shall the Default Rate exceed the Maximum Interest Rate.

**1.3. First Payment Due Date. May 1, 2025.**

**1.4. Indebtedness.** The principal of, interest on, or any other amounts due at any time under, this Note, the Security Instrument or any other Loan Document, including prepayment premiums, late charges, default interest, and advances to protect the security of the Security Instrument as set forth in the Security Instrument or any other Loan Document or as permitted by law.

**1.5. Interest Rate.** From the Disbursement Date to and excluding the Maturity Date, the Interest Rate shall be fixed at **SEVEN AND FORTY-FIVE HUNDREDTHS PERCENT (7.45%)** per annum.

**1.6. Lender.** The holder(s) from time to time of this Note.

**1.7. Loan.** The loan evidenced by this Note.

**1.8. Maturity Date.** The earlier of (i) **April 1, 2055**, and (ii) the date on which the unpaid principal balance of this Note becomes due and payable by acceleration or otherwise pursuant to the Loan Documents or the exercise by Lender of any right or remedy under any Loan Document. Notwithstanding the foregoing, in the event that a monetary Event of Default occurs within the one-hundred eighty (180) days from the Disbursement Date (an "Early Monetary EOD"), Lender may, in its sole and absolute discretion, modify the Maturity Date to the earlier of (i) **October 1, 2026** ("Revised Maturity Date"), and (ii) the date on which the unpaid principal balance of this Note becomes due and payable by acceleration

or otherwise pursuant to the Loan Documents or the exercise by Lender of any right or remedy under any Loan Document. In the event Lender has *not* notified Maker in writing of any modification of the Maturity Date pursuant to the terms and provisions of this Note within one (1) year from the date of such Early Monetary EOD, then Lender shall no longer have such option of modifying the Maturity Date. Lender shall have the absolute right and sole discretion to exercise such option prior to the expiration of such one (1) year notice period notwithstanding whether Maker has cured any such Early Monetary EOD.

**1.9. Maximum Interest Rate.** The rate of interest that results in the maximum amount of interest allowed by applicable law.

**1.10. Original Amortization Period.** A period of **three hundred sixty (360)** full consecutive calendar months.

**1.11. Payment Change Date.** The first day of the calendar month immediately following the date on which a Prepayment (defined below) in an amount less than all of the unpaid principal balance of this Note was made.

**1.12. Payment Due Date.** The First Payment Due Date and any subsequent date on which a monthly installment of interest or principal and interest is due and payable pursuant to Section 3.

**1.13. Prepayment Premium End Date. April 1, 2026.**

**1.14. Prepayment Premium Period.** The period during which, if a Prepayment (defined below) occurs, a prepayment premium will be payable by Maker to Lender. The Prepayment Premium Period is the period from the Disbursement Date to and excluding the earlier of (i) the Prepayment Premium End Date, or (ii) the date on which Lender notifies Maker of Lender's election to reduce the Maturity Date to the Revised Maturity Date following the occurrence of an Early Monetary EOD pursuant to Section 1.8.

**1.15. Property.** That certain piece or parcel of real property commonly known as **1460 North Eastern Avenue, Los Angeles, CA 90063**, and as more specifically described on the Schedule A of the Security Instrument.

**1.16. Remaining Amortization Period.** As of the applicable Payment Change Date, the Original Amortization Period minus the number of scheduled monthly installments of principal and interest that have elapsed since the date of this Note prior to such applicable Payment Change Date.

**1.17. Security Instrument.** That certain **Commercial Deed of Trust, Security Agreement and Fixture Filing** effective dated as of the date of this Note, executed by Maker to or for the benefit of Lender and securing this Note and encumbering the Property.

**2. Address for Payment.** All payments due under this Note shall be payable at LendingOne, LLC, 777 Yamato Road, Suite 510, Boca Raton, FL 33487, Attn: Loan Servicing, or such other place as may be designated by written notice to Maker from or on behalf of Lender.

**3. Payments.**

**3.1.** Interest shall accrue on the outstanding principal balance of this Note at the Interest Rate, subject to the provisions of Section 8.

**3.2.** Interest under this Note shall be computed, payable and allocated on the basis of a 30-day month and a 360-day calendar year. A balloon payment will be due upon full repayment of this Note if this

Note is not repaid until the Maturity Date. Each monthly payment of principal and interest will first be applied to pay in full interest due, and the balance of the monthly payment paid by Maker will be credited to principal.

**3.3.** Interest for the period beginning on the Disbursement Date and ending on and including the last day of such calendar month shall be payable by Maker on or before the Disbursement Date. The Payment Due Date for the first monthly installment payment under Section 3.4 of principal and interest will be the First Payment Due Date set forth in Section 1. Except as provided in this Section 3.3 and in Section 10, accrued interest will be payable in arrears.

**3.4.** Beginning on the First Payment Due Date, and continuing until and including the monthly installment due on the Maturity Date, principal and accrued interest shall be payable by Maker in consecutive monthly installments due and payable on the first day of each calendar month. The amount of the initial monthly installment of principal and interest payable pursuant to this Section 3.4 shall be **FOUR THOUSAND SIX HUNDRED TWO DOLLARS AND SIXTY-EIGHT CENTS (\$4,602.68)**.

**3.5.** Upon delivery of a Prepayment (defined below) in an amount less than all of the unpaid principal balance of this Note, the amount of the monthly installment of principal and interest payable pursuant to Section 3.4 shall change commencing on the applicable Payment Change Date. The new monthly installment of principal and interest commencing on such date shall be recast and recalculated based on the reduced outstanding principal balance of this Note so as to equal the monthly payment amount which would be required to repay such reduced unpaid principal balance of this Note, in equal consecutive monthly payments, over the Remaining Amortization Period.

**3.6.** All remaining Indebtedness, including all principal and interest, shall be due and payable by Maker on the Maturity Date. All payments under this Note shall be made in immediately available U.S. funds. Any regularly scheduled monthly installment of principal and interest that is received by Lender before the date it is due shall be deemed to have been received on the due date solely for the purpose of calculating interest due. Any accrued interest remaining past due for thirty (30) days or more, at Lender's discretion, may be added to and become part of the unpaid principal balance of this Note and any reference to "accrued interest" shall refer to accrued interest that has not become part of the unpaid principal balance. Any amount added to principal pursuant to the Loan Documents shall bear interest at the applicable rate or rates specified in this Note and shall be payable with such interest upon demand by Lender and absent such demand, as provided in this Note for the payment of principal and interest.

**Notice of NSF Fee:** In the event any check given by Maker to Lender as a payment on this Note is dishonored, or in the event there are insufficient funds in Maker's designated account to cover any preauthorized monthly debit from Maker's checking account, then, without limiting any other charges or remedies, Maker shall pay to Lender a processing fee of \$25.00 (but not more than the maximum amount allowed by law) for each such event.

**3.7.** Lender shall provide Maker with notice of the amount of each monthly installment due under this Note. However, if Lender has not provided Maker with prior notice of the monthly payment due on any Payment Due Date, then Maker shall pay on that Payment Due Date an amount equal to the monthly installment payment for which Maker last received notice. If Lender at any time determines that Maker has paid one or more monthly installments in an incorrect amount because of the operation of the preceding sentence, or because Lender has miscalculated the amount of any monthly installment, then Lender shall give notice to Maker of such determination. If such determination discloses that Maker has paid less than the full amount due for the period for which the determination was made, Maker, within thirty (30) calendar days after receipt of the notice from Lender, shall pay to Lender the full amount of the deficiency. If such

determination discloses that Maker has paid more than the full amount due for the period for which the determination was made, then the amount of the overpayment shall be credited to the next installment(s) of interest only or principal and interest, as applicable, due under this Note (or, if an Event of Default has occurred and is continuing, such overpayment shall be credited against any amount owing by Maker to Lender).

**3.8.** In accordance with Section 14, interest charged under this Note cannot exceed the Maximum Interest Rate.

**4. Application of Payments.** If at any time Lender receives, from Maker or otherwise, any amount applicable to the Indebtedness that is less than all amounts due and payable at such time, Lender may apply the amount received to amounts then due and payable in any manner and in any order determined by Lender, in Lender's discretion. Maker agrees that neither Lender's acceptance of a payment from Maker in an amount that is less than all amounts then due and payable nor Lender's application of such payment shall constitute or be deemed to constitute either a waiver of the unpaid amounts or an accord and satisfaction.

**5. Security.** The Indebtedness is secured by, among other things, the Security Instrument and reference is made to the Security Instrument for other rights of Lender as to collateral for the Indebtedness.

**6. Acceleration.** If an Event of Default has occurred and is continuing, the entire unpaid principal balance, any accrued interest, the prepayment premium payable under Section 10 and all other amounts payable under this Note and any other Loan Document, shall at once become due and payable, at the option of Lender, without any prior notice to Maker (except if notice is required by applicable law, then after such notice). Lender may exercise this option to accelerate regardless of any prior forbearance. For purposes of exercising such option, Lender shall calculate the prepayment premium as if prepayment occurred on the date of acceleration.

**7. Late Charge.**

**7.1.** If any installment of principal and interest or other amount payable under this Note, the Security Instrument or any other Loan Document is not received in full by Lender within five (5) days after the installment or other amount is due (unless applicable law requires a longer period of time before a late charge may be imposed, in which event such longer period shall be substituted), Maker shall pay to Lender, immediately and without demand by Lender, a late charge equal to ten percent (10%) of such installment or other amount due (unless applicable law requires a lesser amount be charged, in which event such lesser amount shall be substituted), other than the final entire balance due as set forth in Section 1.5 hereof, including unpaid principal, accrued interest, and together with all other sums due hereunder or thereunder, which if not paid in full on or before the Maturity Date, Lender may collect a late charge equal to one percent (1%) of such total amount.

**7.2.** Maker acknowledges that its failure to make timely payments will cause Lender to incur additional expenses in servicing and processing the Loan and that it is extremely difficult and impractical to determine those additional expenses. Maker agrees that the late charge payable pursuant to this Section 7 represents a fair and reasonable estimate, taking into account all circumstances existing on the date of this Note, of the additional expenses Lender will incur by reason of such late payment. The late charge is payable in addition to, and not in lieu of, any interest payable at the Default Rate pursuant to Section 8.

**8. Default Rate.**

**8.1.** So long as (i) any monthly installment under this Note remains past due for thirty (30) days or more or (ii) any other Event of Default has occurred and is continuing, then notwithstanding anything in

Section 3 to the contrary, interest under this Note shall accrue on the unpaid principal balance from the Payment Due Date of the first such unpaid monthly installment or the occurrence of such other Event of Default, as applicable, at the Default Rate.

**8.2.** From and after the Maturity Date, the unpaid principal balance and all accrued interest shall continue to bear interest at the Default Rate until and including the date on which the entire principal balance is paid in full. Interest shall also accrue at the Default Rate on any judgment obtained by Lender against Maker under this Note.

**8.3.** Maker acknowledges that (i) its failure to make timely payments will cause Lender to incur additional expenses in servicing and processing the Loan, (ii) during the time that any monthly installment under this Note is delinquent for thirty (30) days or more, Lender will incur additional costs and expenses arising from its loss of the use of the money due and from the adverse impact on Lender's ability to meet its other obligations and to take advantage of other investment opportunities; and (iii) it is extremely difficult and impractical to determine those additional costs and expenses. Maker also acknowledges that, during the time that any monthly installment under this Note is delinquent for thirty (30) days or more or any other Event of Default has occurred and is continuing, Lender's risk of nonpayment of this Note will be materially increased and Lender is entitled to be compensated for such increased risk. Maker agrees that the increase in the rate of interest payable under this Note to the Default Rate represents a fair and reasonable estimate, taking into account all circumstances existing on the date of this Note, of the additional costs and expenses Lender will incur by reason of Maker's delinquent payment and the additional compensation Lender is entitled to receive for the increased risks of nonpayment associated with a delinquent loan. During any period that the Default Rate is in effect, the additional interest accruing over and above the rate provided for in Section 1 shall be immediately due and payable in addition to the regularly scheduled principal and interest payments.

**9. Full Recourse Personal Liability.** Each Guarantor (as defined in the Guaranty and other Loan Documents) shall have full recourse personal liability under this Note, the Security Instrument and all other Loan Documents for the repayment of the Indebtedness and for the performance of any and all other obligations of Maker under this Note, the Security Instrument and all other Loan Documents.

**10. Voluntary and Involuntary Prepayments.**

**10.1.** Any receipt by Lender of principal due under this Note prior to the Maturity Date due to sale, refinance or curtailment, other than principal required to be paid in monthly installments pursuant to Section 3, constitutes a prepayment of principal under this Note. Without limiting the foregoing, any application by Lender, prior to the Maturity Date, of any proceeds of collateral or other security to the repayment of any portion of the unpaid principal balance of this Note constitutes a prepayment under this Note. Such prepayments of all or a portion of the unpaid principal balance of this Note at any time prior to Maturity date shall hereinafter be referred to as a "Prepayment."

**10.2.** Maker may voluntarily make a Prepayment on a Payment Due Date so long as Maker designates the date for such Prepayment in a notice from Maker to Lender given at least thirty (30) days prior to the date of such Prepayment. If a Payment Due Date (as defined in Section 1) falls on a day that is not a Business Day, then with respect to payments made under this Section 10 only, the term "Payment Due Date" shall mean the Business Day immediately preceding the scheduled Payment Due Date.

**10.3.** Notwithstanding Section 10.2, Maker may voluntarily make a Prepayment on a Business Day other than a Payment Due Date if Maker provides Lender with the notice set forth in Section 10.2 and

meets the other requirements set forth in this Section 10.3. Maker acknowledges that Lender has agreed that Maker may make a Prepayment on a Business Day other than a Payment Due Date only because Lender shall deem any Prepayment received by Lender on any day other than a Payment Due Date to have been received on the Payment Due Date immediately following such Prepayment and Maker shall be responsible for all interest that would have been due if the Prepayment had actually been made on the Payment Due Date immediately following such Prepayment.

**10.4.** Upon delivery of a Prepayment, a prepayment premium calculated pursuant to Section 10.5, based on the amount being prepaid, shall be due and payable to Lender upon demand. In order to voluntarily make a Prepayment, Maker must also pay to Lender, together with the amount of principal being prepaid, (i) all accrued and unpaid interest due under this Note, plus (ii) all other sums due to Lender at the time of such Prepayment, plus (iii) any prepayment premium calculated pursuant to Section 10.5, to the extent such prepayment premium does not exceed the Maximum Interest Rate.

**10.5.** Except as provided in Section 10.6, a prepayment premium shall be due and payable by Maker in connection with any Prepayment made under this Note during the Prepayment Premium Period. The prepayment premium shall be calculated as follows:

**10.5.1** Three percent (3.00%) of the amount of the Prepayment if the Prepayment occurs prior to and excluding the 04/01/2026.

**10.6.** Notwithstanding any other provision of this Section 10, no prepayment premium shall be payable (i) on any Prepayment made after the expiration of the Prepayment Premium Period, (ii) on any Prepayment occurring as a result of the application of any insurance proceeds or condemnation award under the Security Instrument or (iii) if prohibited by applicable laws and regulations.

**10.7.** Unless Lender agrees otherwise in writing, a permitted or required Prepayment of less than the unpaid principal balance of this Note shall not extend or postpone the due date of any subsequent monthly installments or change the amount of such installments.

**10.8.** Maker recognizes that any Prepayment, whether voluntary or involuntary or resulting from an Event of Default by Maker, will result in Lender incurring loss, including reinvestment loss, additional expense and frustration or impairment of Lender's ability to meet its commitments to third parties. Maker agrees to pay to Lender upon demand damages for the detriment caused by any Prepayment, and agrees that it is extremely difficult and impractical to ascertain the extent of such damages. Maker therefore acknowledges and agrees that the formula for calculating prepayment premiums set forth in this Note represents a reasonable estimate of the damages Lender will incur because of a Prepayment. Maker further acknowledges that any prepayment premium provisions of this Note are a material part of the consideration for the Loan, and that the terms of this Note are in other respects more favorable to Maker as a result of Maker's voluntary agreement to the prepayment premium provisions.

**10.9.** Upon delivery of a Prepayment in an amount less than all of the unpaid principal balance of this Note, the monthly payment amount set forth in Section 3 will be recast and recalculated based on the reduced outstanding principal; provided, however, the Original Amortization Period shall not change.

**11. Costs and Expenses.** To the fullest extent allowed by applicable law, Maker shall pay: (a) all expenses and costs, including reasonable attorney's fees and costs incurred by Lender or any Loan servicer as a result of any default under this Note or in connection with efforts to collect any amount due under this Note, or to enforce the provisions of any of the other Loan Documents (whether or not any lawsuit or other proceeding is instituted), including those incurred in post-judgment collection efforts and in any bankruptcy proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding) or

judicial or non-judicial foreclosure proceeding; and (b) all expenses and costs, including reasonable attorney's fees and costs, incurred by Lender or any Loan servicer in connection with the servicing of the Loan, including without limitation responding to requests from Maker, and expenses and costs incurred in connection with potential defaults or other legal questions regarding the Loan.

**12. Forbearance.** Any forbearance by Lender in exercising any right or remedy under this Note, the Security Instrument, or any other Loan Document or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of that or any other right or remedy. The acceptance by Lender of any payment after the due date of such payment, or in an amount which is less than the required payment, shall not be a waiver of Lender's right to require prompt payment when due of all other payments or to exercise any right or remedy with respect to any failure to make prompt payment. Enforcement by Lender of any security for Maker's obligations under this Note shall not constitute an election by Lender of remedies so as to preclude the exercise of any other right or remedy available to Lender.

**13. Waivers.** Maker and all endorsers and Guarantors of this Note and all other third party obligors waive presentment, demand, notice of dishonor, protest, notice of acceleration, notice of intent to demand or accelerate payment or maturity, presentment for payment, notice of nonpayment, grace, and diligence in collecting the Indebtedness.

**14. Loan Charges.** Neither this Note nor any of the other Loan Documents shall be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate greater than the Maximum Interest Rate. If any applicable law limiting the amount of interest or other charges permitted to be collected from Maker in connection with the Loan is interpreted so that any interest or other charge provided for in any Loan Document, whether considered separately or together with other charges provided for in any other Loan Document, violates that law, and Maker is entitled to the benefit of that law, that interest or charge is hereby reduced to the extent necessary to eliminate that violation. The amounts, if any, previously paid to Lender in excess of the permitted amounts shall be applied by Lender to reduce the unpaid principal balance of this Note. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Maker has been violated, all Indebtedness that constitutes interest, as well as all other charges made in connection with the Indebtedness that constitute interest, shall be deemed to be allocated and spread ratably over the stated term of this Note. Unless otherwise required by applicable law, such allocation and spreading shall be effected in such a manner that the rate of interest so computed is uniform throughout the stated term of this Note.

**15. Purpose of Indebtedness.** Maker represents and warrants to Lender that the proceeds of this Note will be used solely for business, commercial investment, or similar purposes, and that no portion of it will be used for agricultural, personal, family, or household purposes.

**16. Counting of Days.** Except where otherwise specifically provided, any reference in this Note to a period of "days" means calendar days, not Business Days.

**17. Governing Law.** This Note shall be governed by, and construed in accordance with, the laws of Florida, without reference to conflicts of laws principals thereof.

**18. Construction.** The captions and headings of the Sections of this Note are for convenience only and shall be disregarded in construing this Note. Any reference in this Note to an "Exhibit" or a "Section" shall, unless otherwise explicitly provided, be construed as referring, respectively, to an Exhibit attached to this Note or to a Section of this Note. All Exhibits attached to or referred to in this Note are incorporated by reference in this Note. Any reference in this Note to a statute or regulation shall be construed as referring to that statute or regulation as amended from time to time. Use of the singular in this Note includes the plural and use of the plural includes the singular. As used in this Note, the term "including" means

“including, but not limited to” and the term “includes” means “includes without limitation.” The use of one gender includes the other gender, as the context may require. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document in this Note shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in this Note or any other Loan Document), and (b) any reference in this Note to any person or entity shall be construed to include such person’s or entity’s successors and assigns.

**19. Notices; Written Modifications.**

**19.1.** All notices, demands and other communications required or permitted to be given pursuant to this Note shall be given in accordance with the notice provisions set forth in the Security Instrument.

**19.2.** Any modification or amendment to this Note shall be ineffective unless in writing signed by the party sought to be charged with such modification or amendment and provided in accordance with the notice provisions set forth in the Security Instrument.

**20. Consent to Jurisdiction and Venue.** Maker agrees that any controversy arising under or in relation to this Note may be litigated in the jurisdiction of the state of the Governing Law. The state and federal courts and authorities with jurisdiction in the state of the Governing Law shall have non-exclusive jurisdiction over all controversies that shall arise under or in relation to this Note. Maker irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue or defense to venue to which it might be entitled by virtue of domicile, habitual residence, inconvenient forum or otherwise. However, nothing in this Note is intended to limit any right that Lender may have to bring any suit, action or proceeding relating to matters arising under this Note in any court of any other jurisdiction.

**21. Counterparts.** This Note may be executed in any number of counterparts each of which shall be deemed an original, but all such counterparts together shall constitute but one Note.

**22. WAIVER OF TRIAL BY JURY. TO THE MAXIMUM EXTENT PERMITTED AND ENFORCEABLE UNDER APPLICABLE LAW, MAKER AND LENDER EACH (A) AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES AS LENDER AND MAKER THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.**

**23. MODIFICATION OF MATURITY DATE. MAKER ACKNOWLEDGES THAT PURSUANT TO THE TERMS AND PROVISIONS HEREIN, A MONETARY EVENT OF DEFAULT WITHIN THE ONE-HUNDRED EIGHTY (180) DAYS FROM THE DISBURSEMENT DATE MAY CAUSE THE MATURITY DATE TO BE SIGNIFICANTLY MODIFIED NOTWITHSTANDING ANY SUBSEQUENT CURE OF SUCH MONETARY EVENT OF DEFAULT.**

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]  
(Signature Page Follows)*

IN WITNESS WHEREOF, this Note has been duly executed by Maker as of the date first above written.

**MAKER:**

**Mopane Investments LLC,  
a Wyoming limited liability company**

By:   
(seal)  
Name: **David Behrend**  
Title: **Manager**

**ACKNOWLEDGMENT**

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 )

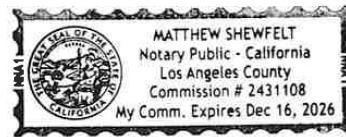
COUNTY OF Los Angeles )

On March 5, 2025, before me, Matthew Shewfelt (a notary public), personally appeared **David Behrend**, 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 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  (Seal)







Date: May 7, 2025

Loan Number: 1510077  
MIN: 1017191-0001510077-5

**FIXED/ADJUSTABLE RATE NOTE**  
(30-day Average SOFR Index (As Published by  
the Federal Reserve Bank of New York) - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR A CHANGE IN MY FIXED  
INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE  
AMOUNT MY ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND  
THE MINIMUM AND MAXIMUM RATES I MUST PAY.

1650 S RIMPAU BLVD, LOS ANGELES, CALIFORNIA 90019

[Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan in the amount of U.S. \$ 520,000.00 (the "Principal") that I have received from INVESTOR MORTGAGE FINANCE LLC (the "Lender"),

I, the undersigned (the "Borrower"), promise to pay the Principal, plus interest, to the order of the Lender. I will make all payments under this Fixed Rate Note (this "Note") in U.S. currency in the form of cash, check, money order, or other payment method accepted by Lender.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid Principal until the full amount of the Principal has been paid. I will pay interest at a yearly rate of 7.125 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 is the rate I will pay before any default described in Section 7(B) of this Note. The interest rate I will pay after any default described in Section 7(B) of this Note is described in Section 7(F) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay Principal and interest by making a payment every month. This amount is called my "Monthly Payment."

I will make my Monthly Payment on the 1st day of each month beginning on July 2025. I will make these payments every month until I have paid all of the Principal and interest and any other charges described below that I may owe under this Note. Each Monthly Payment will be applied as of its scheduled due date and will be applied to interest before the Principal. If, on June 1, 2055, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my Monthly Payments at 1905 KRAMER LN. STE.B700, AUSTIN, TEXAS 78758

or at a different place if required by the Note Holder.

**(B) Amount of My Initial Monthly Payments**

Each of my initial Monthly Payments will be in the amount of U.S. \$ 3,503.34. This amount may change. This payment amount does not include any property taxes, insurance, or other charges that I may be required to pay each month.







**(C) Monthly Payment Changes**

Changes in my Monthly Payment will reflect changes in the unpaid Principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my Monthly Payment in accordance with Section 4 of this Note.

**4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of June, 2030, and the adjustable interest rate I will pay may change on the first day of the month every 6 month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my adjustable interest rate will be based on an Index that is calculated and provided to the general public by an administrator (the "Administrator"). The "Index" is a benchmark, known as the 30-day Average SOFR index. The Index is currently published by the Federal Reserve Bank of New York. The most recent Index value available as of the date 45 days before each Change Date is called the "Current Index," provided that if the Current Index is less than zero, then the Current Index will be deemed to be zero for purposes of calculating my interest rate.

If the Index is no longer available, it will be replaced in accordance with Section 4(G) below.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **FIVE AND 500/1000** percentage points (5.500 %) (the "Margin") to the Current Index. The Margin may change if the Index is replaced by the Note Holder in accordance with Section 4(G)(2) below. The Note Holder will then round the result of the Margin plus the Current Index to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the Monthly Payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Change Date on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my Monthly Payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than **9.125 %** or less than **7.125 %**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **ONE AND 000/1000** percentage point(s) (**1.000 %**) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than **12.125 %** or less than **7.125 %**.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new Monthly Payment beginning on the first Monthly Payment date after the Change Date until the amount of my Monthly Payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my Monthly Payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**(G) Replacement Index and Replacement Margin**

The Index is deemed to be no longer available and will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Note Holder will select a new index (the "Replacement Index") and may also select a new margin (the "Replacement Margin"), as follows:







- (1) If a replacement index has been selected or recommended for use in consumer products, including residential adjustable-rate mortgages, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Note Holder will select that index as the Replacement Index.
- (2) If a replacement index has not been selected or recommended for use in consumer products under Section (G)(1) at the time of a Replacement Event, the Note Holder will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Note Holder reasonably expects will minimize any change in the cost of the loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine my interest rate and Monthly Payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of my Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the "Index" and "Margin" will be deemed to be references to the "Replacement Index" and "Replacement Margin."

The Note Holder will also give me notice of my Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

## **5. BORROWER'S RIGHT TO PREPAY [SEE PREPAYMENT ADDENDUM]**

I shall be subject to the Prepayment terms set forth in the Prepayment Rider attached hereto and made a part hereof.

## **6. LOAN CHARGES**

If applicable law sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## **7. BORROWER'S FAILURE TO PAY AS REQUIRED**

### **(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any Monthly Payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of the overdue payment of Principal and interest. I will pay this late charge promptly but only once on each late payment.

### **(B) Default**

If I do not pay the full amount of each Monthly Payment on the date it is due, I will be in default.

### **(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of unpaid Principal, all the interest that I owe on that amount, and any other charges due under this Note (the "Default Balance"). That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### **(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay the Default Balance immediately in full as described above, the Note Holder will still have the right to do so if I continue to be in default or if I am in default at a later time.

### **(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay the Default Balance immediately as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees and costs.







**(F) Default Rate of Interest**

If I am in default the interest rate that I am required to pay as described in Section 2 and Section 4 of this Note will be increased by 4.000%. For example, if the interest rate described in Section 2 is 7.000% and I am in default, my interest rate will increase to 11.000% until I am no longer in default. The default rate of interest shall apply when I am in default and for the period following acceleration of this Note until all amounts due under this Note and the Security Instrument are paid in full.

**8. GIVING OF NOTICES**

**(A) Notice to Borrower**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address. I will promptly notify the Note Holder of any change to my physical address and of any change to my mailing address. Unless applicable law requires otherwise, notice may instead be sent by e-mail or other electronic communication if agreed to by me and the Note Holder in writing and if I have provided the Note Holder with my current e-mail address or other electronic address. If I have agreed with the Note Holder that notice may be given by e-mail or other electronic communication, I will promptly notify the Note Holder of any changes to my e-mail address or other electronic address.

**(B) Notice to Note Holder**

Any notice that I must give to the Note Holder under this Note will be delivered by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given notice of that different address.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

Class Action Waiver: Any claim must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiffs, or similar proceeding (the "Class Action"). I expressly waive any ability to maintain any Class Action in any forum. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction.

**11. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Mortgage Deed, Deed of Trust, or Security Deed, as amended by accompanying riders (the "Security Instrument") protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument also describes how and under what conditions I may be required to make immediate payment of all amounts I owe under this Note. Some of those conditions are described as follows:

(A) Until my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument will read as follows:







**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice will provide a period of not less than 30 days from the date the notice is given in accordance with Section 16, within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.

**(B)** When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument described in Section 11(A) above will then cease to be in effect, and Section 19 of the Security Instrument will instead read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law. Lender also will not exercise this option if (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee, and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises this option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 16 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.





(C) The Borrower shall be in default if at any time the Borrower, or any immediate family of the Borrower, occupies the Property as a primary or secondary residence. If the Borrower is a business entity, the Borrower shall be in default if any member, partner, officer, trustee, owner, beneficiary or employee of the Borrower, or any immediate family members of the same, at any time occupy the Property as a primary or secondary residence.

(D) This loan is solely for a business or commercial purpose. The loan is not extended primarily for personal, family, household, or agricultural use.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

ELATA INVESTMENTS, LLC

By:   
(Seal)

David Jonathan Behrend, AS -Borrower  
MANAGER





## PREPAYMENT ADDENDUM TO NOTE

(Fixed Percentage)

Prepayments. Borrower may prepay the Loan in part or in full prior to the Maturity Date provided that Borrower:

- a. shall provide Lender with written notice of either (i) Borrower's intention to prepay the Loan in full by requesting a payoff letter or (ii) Borrower's making of a partial prepayment and the amount thereof; and
- b. commencing on the date hereof and continuing until the first anniversary date of the loan (the "Prepayment Term"), Borrower shall pay a prepayment premium to Lender simultaneously with the prepayment calculated on the amount prepaid as follows:
  1. If the Prepayment occurs on or before the first anniversary date of the loan, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.

A prepayment penalty shall not apply if the Prepayment occurs after the first anniversary date.

The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. A prepayment penalty shall apply pro rata to any partial prepayment.

ANY PREPAYMENT OF PRINCIPAL RESULTING FROM AN ACCELERATION OF THE LOAN FOLLOWING THE OCCURRENCE OF AN EVENT OF DEFAULT WILL INCUR A PREPAYMENT PREMIUM.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

ELATA INVESTMENTS, LLC

By:   
(Seal)  
David Jonathan Behrend, AS -Borrower  
MANAGER







**DO NOT DESTROY THIS NOTE: When paid, this note with Deed of Trust securing same, must be surrendered to Trustee for cancellation before reconveyance will be made**

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**NOTE SECURED BY DEED OF TRUST**

**\$250,000.00**

**Date: May 8, 2025**

**Los Angeles, California,**

At the times stated, for value received, **Elat Investments, LLC, a Wyoming Limited Liability Company** ("Maker") promise(s) to pay to **Jacaranda3 Investments, Inc., a Wyoming Corporation** ("Payee") or order, at **205 S. Beverly Drive, Ste 205, Beverly Hills, Ca. 90212**, the sum of **Two Hundred and Fifty Thousand, Dollars 00/100 (\$250,000.00)** with interest only from May 8, 2025 on unpaid principal at the rate of **8.00** per cent per annum. Interest only, payable in monthly installments of One Thousand Six Hundred and Sixty Six Dollars and 66/100 (\$1,666.66), or more, on the 1<sup>st</sup> day of each month starting July 1, 2025, continuing until the 31<sup>st</sup> day of December, 2029, at which time the entire principal balance together with interest due thereon, shall become due and payable.

Interest owing from May 8, 2025 to May 31, 2025, is pre-agreed to be \$1,333.00, and is hereby credited by Lender to Borrower.

Interest owing from June 1, 2025 to June 30, 2025, is pre-agreed to be \$1,666.66.

This loan is secured by an unrecorded Deed of Trust recorded against 1650 S. Rimpau Blvd, Los Angeles, CA 90019. (APN: 5071-019-023)

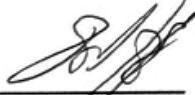
Principal and interest payable in lawful money of the United States. If action be instituted on this note, We promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a Deed of Trust to Lawyers Title Company, a California corporation, as TRUSTEE.

**Elat Investments, LLC, a Wyoming Limited Liability Company  
(Borrower)**



**David Behrend, Manager**

**Jacaranda3 Investments, Inc., a Wyoming Corporation  
(Lender)**



**David Behrend, President**

**EXHIBIT "A"**

1. "Should the trustor or his successors in interest, without the consent in writing of the beneficiary, sell, transfer or convey or permit to be sold, transferred or conveyed, his interest in the property, or any part thereof, then the beneficiary may, at his option, declare all sums secured hereby immediately due and payable."
2. "This Note is subject to Section 2966 of the Civil Code, which provides that the holder of this Note shall give written notice to the Trustor, or his successor in interest, of prescribed information at least ninety days and not more than one hundred and fifty days before any balloon payment is due." Notice is deemed given by payee to maker to pay loan by December 31<sup>st</sup>, 2029.
3. No prepay penalty





## PROMISSORY NOTE

**\$512,000.00**

**Date: May 27, 2025**

**THIS PROMISSORY NOTE** (the "Note"), is made as of the date first written above by **Elat Investments, LLC, a Wyoming Limited Liability Company** (individually and collectively referred to herein as, "Borrower"), and is payable to the order of **Vontive, Inc.**, a Delaware corporation, its successors and assigns ("Lender"), in the maximum principal amount of **Five hundred twelve thousand and 00/100 Dollars (\$512,000.00)**, or so much thereof as may from time to time be outstanding hereunder, together with interest on the balance of principal from time to time remaining unpaid, all as provided below.

### **RECITALS**

A. This Note evidences the loan being made by Lender to Borrower pursuant to the terms and conditions contained herein (the "Loan").

B. This Note is secured, among other items, by (i) that certain **Deed of Trust** (as amended, restated, or otherwise modified from time to time, the "Security Instrument"), dated as of even date herewith, executed and delivered by Borrower for the benefit of Lender, encumbering the Secured Property, (ii) each Guaranty; and (iii) certain other documents and instruments securing repayment of this Note (together with the Security Instrument, each Guaranty, and all other documents evidencing or securing the Loan are hereinafter collectively referred to herein as the "Loan Documents"). All of the agreements, conditions, covenants, provisions and stipulations contained in the Security Instrument and the Loan Documents are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein and Borrower covenants and agrees to keep and perform them, or cause them to be kept and performed, strictly in accordance with their terms.

1. **Defined Terms.** In addition to the terms defined elsewhere in this Note, the following terms shall have the following meanings when used in this Note:

"**ACH**" shall have the meaning provided in Section 2(K).

"**Borrower**" shall have the meaning set forth in the introductory paragraph.

"**Business Day**" shall mean a day of the week (but not a Saturday, Sunday or holiday) on which the offices of Lender in the State of Washington are open for carrying on substantially all of Lender's business functions. Unless specifically referenced in this Note as a Business Day, all references to "days" shall be to calendar days.

"**Default Rate**" shall mean the lesser of (i) eighteen (18.00%) per annum and (ii) the maximum rate permitted under applicable law;





**“Environmental Indemnity”** shall mean that certain Environmental Indemnity Agreement dated as of the date hereof, given by Borrower and Guarantors in favor of Lender, as the same may be amended, restated, or otherwise modified from time to time.

**“Event of Default”** shall mean (i) when used in reference to this Note, one or more of the events or occurrences referred to in Section 3(A) below; and (ii) when used in reference to any other document, a default or event of default under such document that has continued after the giving of any applicable notice and the expiration of any applicable grace or cure periods.

**“Governmental Authority”** means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government.

**“Guarantor”** shall mean, **David Behrend**.

**“Guaranty”** means one or more guaranty agreements given by a Guarantor in favor of Lender, including but not limited to, that certain Unconditional Guaranty of Payment and Performance dated as of the date hereof, given by Guarantors in favor of Lender, each as may be amended, restated, or otherwise modified from time to time.

**“Insolvent”** or **“Insolvency”** means one or more of the following events with respect to a Person has occurred: death; dissolution; liquidation; termination of existence; “insolvent” or “insolvency” within the meaning of the United States Bankruptcy Code or other applicable statute; such Person’s inability to pay its debts as they come due or failure to have adequate capital to conduct its business; such Person’s failure to have assets having a fair saleable value net of any cost to dispose of such assets in excess of the amount required to pay the probable liability on its then existing debts (including unmatured, unliquidated and contingent debts); appointment of a receiver of any part of the property of such Person, execution of a trust mortgage or any assignment for the benefit of creditors by, or the filing of a petition in bankruptcy or the commencement of any proceedings under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment of indebtedness or reorganization of debtors by or against such Person, or the offering of a plan to creditors or such Person for composition or extension, except for any involuntary proceeding commenced against such Person that is dismissed within thirty (30) days after the commencement thereof without the entry of an order for relief or the appointment of a trustee.

**“Lender”** shall have the meaning set forth in the introductory paragraph.

**“Lien”** means any security interest in or lien on or against any property arising from any pledge, assignment, hypothecation, mortgage, security interest, deposit arrangement, trust receipt, conditional sale or title retaining contract, sale and leaseback transaction, capitalized lease, consignment or bailment for security, or any other type of



lien, charge, encumbrance, title exception, preferential or priority arrangement affecting property (including with respect to stock, any stockholder agreements, voting rights agreements, buy-back agreements and all similar arrangements), whether based on common law or statute.

“**Loan**” shall have the meaning provided in Recital A.

“**Loan Documents**” shall have the meaning provided in Recital B.

“**Material Adverse Effect**” means a material adverse effect on (a) the condition (financial or otherwise), business, performance, operations, properties or prospects of Borrower, (b) the ability of Borrower to perform its obligations under this Note or any other Loan Document to which it is a party, (c) the perfection or priority of any Lien purported to be created by any Loan Document, or (d) the validity or enforceability of this Note or any of the other Loan Documents or the rights or remedies of Lender hereunder or thereunder.

“**Maturity Date**” shall have the meaning provided in Section 2(A).

“**Payment Date**” shall have the meaning provided in Section 2(D).

“**Payment Reserve**” shall have the meaning provided in Section 2(M).

“**Permitted Encumbrances**” means (i) those matters listed on Schedule B to the Title Policy to which title to the Premises may be subject at the date of the date hereof, (ii) all Liens and security interests in, to or affecting the Premises (or any portion thereof) arising under or created by the Security Instrument or any other Loan Document, (iii) any and all other matters affecting title to the Premises created with the prior written consent of Lender or created without the necessity of Lender’s consent pursuant to the Deed of Trust, and (iv) such other title exceptions as Lender may reasonably approve in writing.

“**Person**” means an individual, estate, corporation, partnership, limited liability company, association, joint stock company, trust, unincorporated organization or other entity.

“**Premises**” shall have the meaning provided in the Security Instrument.

“**Secured Obligations**” shall have the meaning provided in the Security Instrument.

“**Secured Property**” shall have the meaning provided in the Security Instrument.

“**Security Instrument**” shall have the meaning provided in Recital B.

“**Title Policy**” means Lender’s title insurance policy with extended coverage (issued by a title company acceptable to Lender), insuring the lien of the Security Instrument as a valid first, prior and paramount Lien upon the Premises and all



appurtenant easements, with such endorsements as Lender may require, and subject to no other exceptions other than the Permitted Encumbrances.

2. **Rates and Payment of Interest on the Loan.**

A. **Maturity Date.** The Loan shall be due and payable, and Borrower hereby promises to pay the outstanding principal amount of the Loan to Lender, together with all accrued interest thereon then remaining unpaid and all other unpaid amounts, charges, fees and expenses outstanding under this Note or under any of the other Loan Documents, on or before **June 01, 2055** (the “**Maturity Date**”), subject to earlier acceleration as provided herein.

B. **Interest Rate.** Borrower promises to pay to Lender interest on the unpaid principal balance hereof at the rate of **Seven and 50/100 percent (7.500%)** per annum.

C. **Payment of Loan Fee.** Simultaneously with the disbursement of the loan proceeds to Borrower, Borrower shall pay to Lender a loan fee equal to **Zero and 00/100** percentage of the total loan amount (**0.000%**).

D. **Payments of Interest and Principal.** Commencing **July 01, 2025**, and on the first (1<sup>st</sup>) day of each calendar month thereafter (a “**Payment Date**”), Borrower shall make principal and interest payments on the Loan in equal installments of **Three thousand, five hundred seventy-nine and 98/100 Dollars (\$3,579.98)**. Borrower shall pay accrued interest on the Loan in arrears. In addition, upon the payment or prepayment of the Loan, Borrower shall pay accrued interest on the principal amount so paid or prepaid. Interest payable at the Default Rate shall be payable from time to time on demand. All determinations by Lender of an interest rate hereunder shall be conclusive and binding on Borrower for all purposes, absent manifest error (that is an obvious mathematical error). Interest on this note is computed on a 30/360 basis; that is, by applying the ratio of the Interest Rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by 30. All interest payable under this Note is computed using this method.

E. **Repayment of Loan.** To the extent not sooner repaid, Borrower shall repay the entire outstanding principal amount of, and all accrued but unpaid interest on, the Loan, together with all other amounts then outstanding under this Note and the other Loan Documents, on the Maturity Date.

F. **Default Rate.** Upon the occurrence of an Event of Default under this Note or any of the other Loan Documents and during the continuation thereof, and after the Maturity Date or following the acceleration of the Maturity Date of this Note, the outstanding principal balance of the Loan and any other amounts then owing by Borrower to Lender shall bear interest at the Default Rate. In addition, in such event, Lender, at its option, may add any unpaid accrued interest to principal, and such sum shall bear interest therefrom until paid in full at the Default Rate. The interest accruing



under this Section shall be immediately due and payable by Borrower to the holder of this Note upon demand and shall be additional indebtedness evidenced by this Note.

G. Late Charge. If any payment of interest or principal due under this Note is not made within **ten (10)** days after such payment is due, then, in addition to the payment of the amount so due, Borrower shall pay to Lender a "late charge" equal to the lesser of (i) **ten percent (10.00%)** of the amount of such payment, or (ii) the maximum percentage rate permitted under applicable law of the amount of such payment, to compensate Lender for the cost of collecting and handling such late payment. Such late charge may be assessed without notice, shall be immediately due and payable and shall be in addition to all other rights and remedies available to Lender.

H. Usury. Lender and Borrower intend to conform to all applicable laws limiting the maximum rate of interest that may be charged or collected by Lender from Borrower. Accordingly, notwithstanding any other provision hereof, Borrower shall not be required to make any payment of interest that conflicts with the mandatory and non waivable provisions of applicable law limiting the maximum amount of interest which may be charged or collected by Lender. Any such excess payment made by Borrower and received by Lender shall be credited as a payment of principal, unless Borrower shall notify Lender in writing that Borrower elects to have such excess sum returned to it. To the fullest extent permitted by law, in any action, suit or proceeding pertaining to this Note, the burden of proof, by clear and convincing evidence, shall be on Borrower to demonstrate that this Section 2(H) applies to limit any obligation of Borrower under this Note or to require Lender to make any refund, or claiming that this Note conflicts with any applicable law limiting the maximum rate of interest that may be charged or collected by Lender from Borrower, as to each element of such claim.

I. Prepayment.

(i) Borrower may prepay the Loan in full or in part at any time upon at least ten (10) days prior written notice to Lender of the prepayment of the Loan. Prepayments shall be accompanied by the payment of all accrued and unpaid interest on the amount so prepaid, plus the outstanding principal balance of the Loan, plus any amount due Lender pursuant to clause (ii) below, plus all other unpaid amounts, charges, fees and expenses outstanding under this Note or under any of the other Loan Documents. Amounts so prepaid may not be re-borrowed.

(ii) If Borrower pays any principal amount of the Loan before its scheduled due date (whether as a result of acceleration, voluntary prepayment, or otherwise), Borrower hereby promises to pay to Lender a prepayment premium equal to the applicable percentage of the amount prepaid set forth below (the "**Early Payment Premium**"):



IF PREPAYMENT OCCURS DURING THE PERIOD:	EARLY PREPAYMENT PREMIUM SHALL BE THE FOLLOWING PERCENTAGE OF THE AMOUNT PREPAID
FROM AND INCLUDING	TO BUT EXCLUDING
05-30-2025	05-30-2026
	3%

For the avoidance of doubt, the close date per the final settlement statement constitutes the initial "From" date for the prepayment period and the prepayment period will commence as of that date through the entire prepayment period, for the indicated number of years.

For the further avoidance of doubt, the automatic or declared acceleration of the Loan constitutes an involuntary prepayment for which the Early Payment Premium shall be due and payable. Therefore, the Early Payment Premium shall be due and owing if following an acceleration of the Loan, (i) Borrower tenders payment (voluntarily or involuntarily), (ii) Bank obtains a recovery through an exercise of remedies or otherwise, or (iii) the Loan is satisfied as a result of a foreclosure sale, deed in lieu, or by any other means. Borrower hereby acknowledges and agrees that any Early Payment Premium due hereunder is secured by any and all collateral securing the Loan. Borrower also acknowledges and agrees that the Early Payment Premium constitutes liquidated damages, and not a claim for unmatured interest or a penalty, and that the Early Payment Premium represents a reasonable forecast of the damages caused by prepayment.

J. Computations. Unless otherwise expressly set forth herein, any accrued interest on this note is computed on a 30/360 basis; that is, by applying the ratio of the Interest Rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by 30. All interest payable under this Note is computed using this method.

K. Payments, Fees and Other General Provisions. Except to the extent otherwise provided herein, all payments of principal, interest and other amounts to be made by Borrower under this Note, the Security Instrument or any other Loan Document shall be made in U.S. dollars, in immediately available funds, without deduction, set-off or counterclaim, to Lender by Automated Clearing House ("ACH") electronic payment to Lender (or such other electronic means acceptable to Lender) on the date on which such payment shall become due. If the due date of any payment under this Note or any other Loan Document would otherwise fall on a day which is not a Business Day such date shall be extended to the **next succeeding Business Day** and interest shall be payable for the period of such extension. Borrower hereby agrees to deliver all such documents and instruments as Lender may require from time to time in order to effectuate such ACH payments. Borrower's failure to maintain a valid account to be used for ACH payments, failure to continue such ACH payments, and/or failure to deposit and/or maintain



sufficient funds in such account for each debit entry shall be an Event of Default under this Note and the other Loan Documents.

L. Agreement Regarding Interest and Charges. The parties hereto hereby agree and stipulate that the only charge imposed upon Borrower for the use of money in connection with this Note is and shall be the interest specifically described in Section 1(C) above. Notwithstanding the foregoing, the parties hereto further agree and stipulate that all agency fees, arrangement fees, amendment fees, transfer review fees, up-front fees, commitment fees, facility fees, exit fees, closing fees, underwriting fees, default charges, late charges, funding or "breakage" charges, increased cost charges, attorneys' fees and reimbursement for costs and expenses paid by Lender to third parties or for damages incurred by Lender, or any other similar amounts are charges made to compensate Lender for underwriting or administrative services and costs or losses performed or incurred, and to be performed or incurred, by Lender in connection with this Note and shall under no circumstances be deemed to be charges for the use of money. All charges other than charges for the use of money shall be fully earned and nonrefundable when due.

M. [RESERVED]

3. [RESERVED]
4. [RESERVED]
5. Default and Remedies.

A. An "Event of Default" shall have occurred upon the occurrence of any one or more of the following:

- (i) any failure by Borrower to make payments of interest to Lender as required hereunder, or any fees or other charges required to be paid to Lender hereunder or under any other Loan Document, and such failure continues for a period of thirty (30) days or more following its due date;
- (ii) failure by Borrower to pay the Loan in full on the Maturity Date in accordance with the terms hereunder;
- (iii) failure by Borrower to provide access to the Premises as described in Section 3 herein;
- (iv) failure by Borrower to make any payment required by Section 4 herein;
- (v) any failure by Borrower to comply with any of the covenants set forth in the Security Instrument;



(vi) the failure by Guarantor to comply with any of the covenants set forth in the Guaranty or the Environmental Indemnity, and such failure continues for more than five (5) days after notice from Lender thereof;

(vii) any representation, warranty, financial statement, certification or other information at any time made by or on behalf of Borrower or any Guarantor to Lender becomes false or misleading in any material respect;

(viii) Borrower defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may have a Material Adverse Effect (as determined by Lender in its reasonable discretion);

(ix) issuance of any injunctions that have a Material Adverse Effect (as determined by Lender in its reasonable discretion), or issuance of any attachments which in the aggregate exceed **Ten Thousand and 00/100 Dollars (\$10,000.00)** in value against Borrower, which is not dismissed or bonded, to the satisfaction of Lender, within sixty (60) days after its issuance;

(x) calling of a meeting of creditors, formation or appointment of a committee of creditors or liquidating agents or offering of a composition or extension to creditors by, for or with the consent or acquiescence of Borrower;

(xi) Insolvency of Borrower or any Guarantor;

(xii) any money judgments aggregating in excess of **Ten Thousand and 00/100 Dollars (\$10,000.00)** are entered against Borrower (except to the extent fully covered by insurance and the insurance carrier has confirmed coverage without reservation of rights), and continue unsatisfied and in effect for a period of sixty (60) days;

(xiii) any garnishment, levy or execution is issued and served upon Lender, which garnishment, levy or execution covers any material portion of property of Borrower in the possession of Lender;

(xiv) (a) any Loan Document, or any covenant, agreement or obligation contained therein or evidenced thereby, ceases in any material respect to be legal, valid, binding or enforceable in accordance with its terms, or is cancelled, terminated, revoked or rescinded other than in accordance with the terms hereof or thereof, (b) any action at law, suit in equity or other legal proceeding to cancel, revoke or rescind any Loan Document is commenced by or on behalf of Borrower or any Guarantor, or (c) any court or any other Governmental Authority of competent jurisdiction makes a determination that, or issues a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents, or any one or more of the obligations of Borrower or Guarantor thereunder, are illegal,





invalid or unenforceable in any material respect in accordance with the terms thereof;

(xv) the security interests granted by Borrower under the Loan Documents cease to be valid, first priority security interests (subject only to Permitted Encumbrances) or fails to be perfected, or any Person successfully contests the validity, priority, enforceability or perfection of such security interests;

(xvi) the occurrence of any event or condition that Lender determines, in its reasonable discretion, could have a Material Adverse Effect;

(xvii) the institution of a foreclosure action against the Premises (other than by Lender) or any part thereof, or the filing of a Lien (other than by Lender or a Permitted Encumbrance) against the Secured Property or any part thereof, which is not removed of record, bonded off, or dismissed within thirty (30) days of the institution or filing thereof;

(xviii) the occurrence of any Event of Default under any of the other Loan Documents; or

(xix) the occurrence of any "Default", "Event of Default" or concept of similar meaning under any other credit facility or loan document evidencing any debt of Borrower to Lender other than with respect to the Secured Obligations.

B. If an Event of Default has occurred and is continuing, Lender shall have the option, without demand or notice, other than specified herein or in the other Loan Documents, to declare the unpaid principal of this Note, together with all accrued interest, and other sums secured by the Security Instrument or other Loan Documents, at once due and payable to the extent permitted by law, to foreclose the Security Instrument and the liens or security interests securing the payment of this Note, and to exercise any and all other rights and remedies available at law or in equity under the Security Instrument or the other Loan Documents.

C. The remedies of Lender, as provided herein or in the Security Instrument or any of the other Loan Documents shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Lender, and may be exercised as often as occasion therefor shall arise. No act of omission or commission of Lender, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Lender and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to a subsequent event.





6. **Costs and Attorneys' Fees.** After any Event of Default shall occur and be continuing beyond any applicable cure period, and if Lender incurs any expenses or costs in connection with the protection or realization of any collateral, whether or not suit is filed thereon or on any instrument granting a security interest in said collateral, Borrower promises to pay reasonable costs of collection, including but not limited to all appraisal costs, reasonable attorneys' fees, court costs, and expenses of every kind, incurred by Lender in connection with such collection or the protection or enforcement of any or all of the security for this Note, whether or not any lawsuit is filed with respect thereto.

7. **Use of Proceeds.** Borrower represents, warrants, covenants and agrees that all proceeds of the Loan evidenced by this Note will be used exclusively for commercial, business or investment purposes.

8. **Waiver.** To the fullest extent permitted under applicable law, Borrower, and each Guarantor, surety and endorser hereon waives grace, notice, notice of intent to accelerate, notice of default, protest, demand, presentment for payment and diligence in the collection of this Note, and in the filing of suit hereon, and agrees that such Person's liability and the liability of such Person's heirs, beneficiaries, successors and assigns for the payment hereof shall not be affected or impaired by any release or change in the security or by any increase, modification, renewal or extension of the indebtedness or its mode and time of payment. It is specifically agreed by the undersigned that Lender shall have the right at all times to decline to make any such release or change in any security given to secure the payment hereof and to decline to make any such increase, modification, renewal or extension of the indebtedness or its mode and time of payment.

9. **Notices.** Any notices expressly required or permitted by this Note must be in writing, and will be deemed to have been given when delivered by hand, when sent by facsimile, on the date of delivery by any national overnight delivery service (delivery charges prepaid), or on the date of delivery by the United States Postal Service after deposit in the U.S. mails (postage prepaid, certified and return receipt requested), and addressed to the parties at the addresses set forth below, or, in either case, to such other address as a party may designate in a written notice to the other party given in accordance with this Section.

If to Borrower: Elata Investments, LLC  
515 Muskingum Avenue  
Los Angeles, CA, 90272  
Attention: **David Behrend**

If to Lender: Vontive, Inc.  
1000 2nd Ave, Suite 2500  
Seattle, WA 98104  
**Attention: Nicole Rivas**  
Email: [servicing@vontive.com](mailto:servicing@vontive.com)





10. **Application of Payments.** All payments on account of the indebtedness evidencing the Note shall first be applied to late charges and costs and fees incurred by Lender in enforcing its rights hereunder or under the Security Instrument and the other Loan Documents, second to accrued interest on the unpaid principal balance, and third to reduce unpaid principal.

11. **[RESERVED]**

12. **Miscellaneous.**

A. The headings of the paragraphs of this Note are inserted for convenience only and shall not be deemed to constitute a part hereof.

B. The obligations and liabilities under this Note of Borrower shall be binding upon and enforceable against Borrower and its heirs, legatees, legal representatives, successors and assigns. This Note shall inure to the benefit of and may be enforced by Lender, its successors and assigns.

C. If any provision of this Note or any payments pursuant to the terms hereof shall be invalid or unenforceable to any extent, the remainder of this Note and any other payments hereunder shall not be affected thereby and shall be enforceable to the greatest extent permitted by law.

D. Lender may at any time assign its rights in this Note and the Loan Documents, or any part thereof and transfer its rights in any or all of the collateral, and Lender thereafter shall be relieved from all liability with respect to such collateral. In addition, Lender may at any time sell one or more participations in the Note. Borrower may not assign its interest in this Note, or any other agreement with Lender or any portion thereof, either voluntarily or by operation of law, without the prior written consent of Lender.

E. Time is of the essence of this Note and of each and every provision hereof.

F. This Note, together with the other Loan Documents, sets forth all of the covenants, promises, agreements, conditions and understandings of the parties relating to the subject matter of this Note, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them relating to the subject matter of this Note other than as are set forth herein and in the other Loan Documents. This Note and the other Loan Documents supersede all prior written and oral commitments and agreements relating to the Loan. Borrower acknowledges that it is executing this Note without relying on any statements, representations or warranties, either oral or written, that are not expressly set forth herein.

G. This Note and each provision hereof may be modified, amended, changed, altered, waived, terminated or discharged only by a written instrument signed by the party





sought to be bound by such modification, amendment, change, alteration, waiver, termination or discharge.

H. Each party to this Note and legal counsel to each party have participated in the drafting of this Note (or have had the opportunity to consult with legal counsel), and accordingly the general rule of construction to the effect that any ambiguities in a contract are to be resolved against the party drafting the contract shall not be employed in the construction and interpretation of this Note, to the extent permitted under applicable law.

13. **Choice of Laws.** This Note shall be governed by and construed in accordance with the laws of the State of Washington.

14. **WAIVER OF JURY TRIAL.** BORROWER, BY ITS SIGNATURE BELOW, AND LENDER, BY ITS ACCEPTANCE OF THIS NOTE, HEREBY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED HEREBY.

15. **JURISDICTION AND VENUE.** All judicial proceedings brought against Lender, Borrower, or any Guarantor with respect to this Note and the other Loan Documents may be brought exclusively in the courts of the State of Washington located in the City of Seattle, King County, or of the United States for the Western District of Washington, and by execution and delivery of this Note, Borrower accepts for itself and in connection with its properties, generally and unconditionally, the nonexclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Note. Borrower irrevocably waives any right it may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceeding is brought in accordance with this Section 12.

16. **[RESERVED]**

17. **Survival; Release.** *This section applies if there is more than 1 parcel associated with the transaction or if the initial parcel associated with the transaction is later split and becomes multiple parcels.* All agreements, representations and warranties made in this Note shall survive the execution of this Note, the making of each advance of the Loan by Lender, and the execution of the other Loan Documents, and shall continue until Lender receives payment in full of all obligations of Borrower incurred under this Note and the other Loan Documents. Lender agrees that Lender shall provide Borrower with a release in form and substance satisfactory to Lender (a "Release"), regarding a portion of the Secured Property designated by Borrower for release and which is approved in writing by Lender in Lender's sole discretion





(each a “Release Parcel”), from the Security Instrument upon the satisfaction of the following conditions, as determined solely by Lender:

A. No Default or Event of Default is then occurring, and no Default or Event of Default will result from the making of the Release;

B. Lender shall have received not less than fifteen (15) Business Days’ prior written notice of the estimated date of the proposed Release;

C. Lender shall have determined, in its sole discretion, that the portions of the Secured Property remaining subject to the lien of the Security Instrument following any such partial release (the “Remaining Property”) shall have access at its boundary to and be adjacent to and contiguous with, publicly dedicated and improved roads or highways then in existence;

D. Lender shall have first received all of the following with respect to the Release Parcel and Remaining Property, at Borrower’s sole cost and expense:

(i) payment to Lender in full of an amount equal to one hundred twenty percent (120%) of the unpaid principal balance of Loan allocated to such Release Parcel, please refer to the Appendix attached hereto, or as determined by Lender in its reasonable discretion (the “Release Price”), in certified funds (or other good and sufficient funds satisfactory to Lender in its sole discretion) which are immediately available to Lender without any escrow or other condition, all as determined solely by Lender; provided, however, that the amount of any payment made in connection with the delivery of a Release shall be in addition to all amounts due and payable by Borrower as of the date that payment thereof is made to Lender, including, without limitation, amounts due in connection with the Loan;

(ii) evidence that the Release Parcel and the Remaining Property are each legal parcels lawfully created in compliance with all applicable subdivision laws and ordinances;

(iii) evidence that the Remaining Property has the benefit of all utilities, easements, public and/or private streets, covenants, conditions and restrictions as may be necessary, in Lender’s sole opinion, for the use thereof;

(iv) evidence satisfactory to Lender that all taxes, bonds or assessments, which constitute a Lien against the Secured Property have been properly allocated between the Release Parcel and the Remaining Property;

(v) if any, payment of Lender’s out-of-pocket reasonable expenses, including, without limitation, the fees and expenses of counsel, in connection with





the Release, the cost of all title insurance endorsements requested by Lender, and any trustee's fees and recording costs in connection with the partial release;

(vi) such other documents, instruments and certifications as Lender may reasonably request; and

(vii) Lender shall have received, at Borrower's sole cost and expense, all title insurance endorsements required by Lender with respect to the Title Policy.

E. Amounts received by Lender pursuant to this Section 16 shall be applied as follows:

(i) FIRST, to the payment of any unpaid costs and expenses due in connection with the Loan, including but not limited to, the Release Price;

(ii) SECOND, to any accrued and unpaid interest due in connection with the Loan; and

(iii) LASTLY, to the outstanding principal balance of the Loan.

F. Lender shall provide a Release in the ordinary course of business, only after Lender has received payment in full of the Release Price and upon the satisfaction of all other conditions set forth in this Section 16.

G. Neither the acceptance of any payments nor the issuance of any partial release by Lender shall relieve or otherwise affect Borrower's liability for the full amount of the Loan indebtedness remaining unpaid or affect the Lien of the Security Instrument encumbering the Remaining Property.

18. **Further Assurances.** Borrower shall, at Borrower's sole cost and expense: (a) execute and deliver to Lender such documents, instruments, certificates, and financial information as Lender may reasonably request, and do such other acts necessary or desirable, to evidence, preserve and/or protect the collateral at any time securing or intended to secure the obligations of Borrower under the Loan Documents, as Lender may reasonably require; and (b) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Note and the other Loan Documents, as Lender reasonably requires from time to time. Failure of Borrower to comply with this Section within ten (10) Business Days' of Lender's request shall be an Event of Default hereunder.

*(Signature page(s) follow)*





**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

IN WITNESS WHEREOF, Borrower has executed and delivered this Note as of June 17, 2025.

**BORROWER:**

**Elatá Investments, LLC, a Wyoming Limited Liability Company**

By:   
Name: David Behrend, Manager





**DO NOT DESTROY THIS NOTE: When paid, this note with Deed of Trust securing same, must be surrendered to Trustee for cancellation before reconveyance will be made**

**NOTE SECURED BY DEED OF TRUST**

**\$190,000.00**

**Date: June 1, 2025**

**Los Angeles, California,**

At the times stated, for value received, **Elat Investments, LLC, a Wyoming Limited Liability Company** ("Maker") promise(s) to pay to **Jacaranda3 Investments, Inc., a Wyoming Corporation** ("Payee") or order, at **205 S. Beverly Drive, Ste 205, Beverly Hills, Ca. 90212**, the sum of **One Hundred and Ninety Thousand, Dollars 00/100 (\$190,000.00)** with interest only from June 1, 2025 on unpaid principal at the rate of **8.00** per cent per annum. Interest only, payable in monthly installments of One Thousand Two Hundred and Sixty Six Dollars and 66/100 (\$1,266.66), or more, on the 1<sup>st</sup> day of each month starting July 1, 2025, continuing until the 31<sup>st</sup> day of December, 2029, at which time the entire principal balance together with interest due thereon, shall become due and payable.

Interest owing from June 1, 2025 to June 30, 2025 is pre-agreed to be \$1,266.66.

This loan is secured by an unrecorded Deed of Trust recorded against 1434 W. 22<sup>nd</sup> Street, Los Angeles, CA 90007. (APN: 5055-001-020)

Principal and interest payable in lawful money of the United States. If action be instituted on this note, We promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a Deed of Trust to Lawyers Title Company, a California corporation, as TRUSTEE.

**Elat Investments, LLC, a Wyoming Limited Liability Company**  
(Borrower)

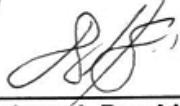


**David Behrend, Manager**

*Loan is reduced to \$183,200  
effective June 1, 2025 due  
to calculation error.*

  
6/30/2025

**Jacaranda3 Investments, Inc., a Wyoming Corporation**  
(Lender)



**David Behrend, President**

**EXHIBIT "A"**

1. "Should the trustor or his successors in interest, without the consent in writing of the beneficiary, sell, transfer or convey or permit to be sold, transferred or conveyed, his interest in the property, or any part thereof, then the beneficiary may, at his option, declare all sums secured hereby immediately due and payable."
2. "This Note is subject to Section 2966 of the Civil Code, which provides that the holder of this Note shall give written notice to the Trustor, or his successor in interest, of prescribed information at least ninety days and not more than one hundred and fifty days before any balloon payment is due." Notice is deemed given by payee to maker to pay loan by December 31<sup>st</sup>, 2029.
3. No prepay penalty





Date: July 30, 2025

Loan Number: 1514730  
MIN: 1017191-0001514730-5

**FIXED/ADJUSTABLE RATE NOTE**  
(30-day Average SOFR Index (As Published by  
the Federal Reserve Bank of New York) - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR A CHANGE IN MY FIXED  
INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE  
AMOUNT MY ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND  
THE MINIMUM AND MAXIMUM RATES I MUST PAY.

1618 W 38TH ST, LOS ANGELES, CALIFORNIA 90062

[Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan in the amount of U.S. \$ 640,000.00  
from INVESTOR MORTGAGE FINANCE LLC

(the "Principal") that I have received

(the "Lender"),

I, the undersigned (the "Borrower"), promise to pay the Principal, plus interest, to the order of the Lender. I will make all payments under this Fixed/Adjustable Rate Note (this "Note") in U.S. currency in the form of cash, check, money order, or other payment method accepted by Lender.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid Principal until the full amount of the Principal has been paid. I will pay interest at a yearly rate of 6.350 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 is the rate I will pay before any default described in Section 7(B) of this Note. The interest rate I will pay after any default described in Section 7(B) of this Note is described in Section 7(F) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay Principal and interest by making a payment every month. This amount is called my "Monthly Payment."

I will make my Monthly Payment on the 1st day of each month beginning on September 2025. I will make these payments every month until I have paid all of the Principal and interest and any other charges described below that I may owe under this Note. Each Monthly Payment will be applied as of its scheduled due date and will be applied to interest before the Principal. If, on August 1, 2055, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my Monthly Payments at 1905 KRAMER LN. STE.B700, AUSTIN, TEXAS 78758

or at a different place if required by the Note Holder.

**(B) Amount of My Initial Monthly Payments**

Each of my initial Monthly Payments will be in the amount of U.S. \$ 3,982.31. This amount may change. This payment amount does not include any property taxes, insurance, or other charges that I may be required to pay each month.





**(C) Monthly Payment Changes**

Changes in my Monthly Payment will reflect changes in the unpaid Principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my Monthly Payment in accordance with Section 4 of this Note.

**4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of August, 2030 , and the adjustable interest rate I will pay may change on the first day of the month every 6 month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my adjustable interest rate will be based on an Index that is calculated and provided to the general public by an administrator (the "Administrator"). The "Index" is a benchmark, known as the 30-day Average SOFR index. The Index is currently published by the Federal Reserve Bank of New York. The most recent Index value available as of the date 45 days before each Change Date is called the "Current Index," provided that if the Current Index is less than zero, then the Current Index will be deemed to be zero for purposes of calculating my interest rate.

If the Index is no longer available, it will be replaced in accordance with Section 4(G) below.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **FIVE AND 500/1000** percentage points (5.500 %) (the "Margin") to the Current Index. The Margin may change if the Index is replaced by the Note Holder in accordance with Section 4(G)(2) below. The Note Holder will then round the result of the Margin plus the Current Index to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the Monthly Payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Change Date on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my Monthly Payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 8.350 % or less than 6.350 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **ONE AND 000/1000** percentage point(s) ( 1.000 %) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 11.350 % or less than 6.350 %.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new Monthly Payment beginning on the first Monthly Payment date after the Change Date until the amount of my Monthly Payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my Monthly Payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**(G) Replacement Index and Replacement Margin**

The Index is deemed to be no longer available and will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Note Holder will select a new index (the "Replacement Index") and may also select a new margin (the "Replacement Margin"), as follows:



- (1) If a replacement index has been selected or recommended for use in consumer products, including residential adjustable-rate mortgages, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Note Holder will select that index as the Replacement Index.
- (2) If a replacement index has not been selected or recommended for use in consumer products under Section (G)(1) at the time of a Replacement Event, the Note Holder will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Note Holder reasonably expects will minimize any change in the cost of the loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine my interest rate and Monthly Payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of my Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the "Index" and "Margin" will be deemed to be references to the "Replacement Index" and "Replacement Margin."

The Note Holder will also give me notice of my Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

## **5. BORROWER'S RIGHT TO PREPAY [SEE PREPAYMENT ADDENDUM]**

I shall be subject to the Prepayment terms set forth in the Prepayment Rider attached hereto and made a part hereof.

## **6. LOAN CHARGES**

If applicable law sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## **7. BORROWER'S FAILURE TO PAY AS REQUIRED**

### **(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any Monthly Payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of the overdue payment of Principal and interest. I will pay this late charge promptly but only once on each late payment.

### **(B) Default**

If I do not pay the full amount of each Monthly Payment on the date it is due, I will be in default.

### **(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of unpaid Principal, all the interest that I owe on that amount, and any other charges due under this Note (the "Default Balance"). That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### **(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay the Default Balance immediately in full as described above, the Note Holder will still have the right to do so if I continue to be in default or if I am in default at a later time.

### **(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay the Default Balance immediately as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees and costs.



**(F) Default Rate of Interest**

If I am in default the interest rate that I am required to pay as described in Section 2 and Section 4 of this Note will be increased by 4.000%. For example, if the interest rate described in Section 2 is 7.000% and I am in default, my interest rate will increase to 11.000% until I am no longer in default. The default rate of interest shall apply when I am in default and for the period following acceleration of this Note until all amounts due under this Note and the Security Instrument are paid in full.

**8. GIVING OF NOTICES**

**(A) Notice to Borrower**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address. I will promptly notify the Note Holder of any change to my physical address and of any change to my mailing address. Unless applicable law requires otherwise, notice may instead be sent by e-mail or other electronic communication if agreed to by me and the Note Holder in writing and if I have provided the Note Holder with my current e-mail address or other electronic address. If I have agreed with the Note Holder that notice may be given by e-mail or other electronic communication, I will promptly notify the Note Holder of any changes to my e-mail address or other electronic address.

**(B) Notice to Note Holder**

Any notice that I must give to the Note Holder under this Note will be delivered by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given notice of that different address.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

Class Action Waiver: Any claim must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiffs, or similar proceeding (the "Class Action"). I expressly waive any ability to maintain any Class Action in any forum. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction.

**11. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Mortgage Deed, Deed of Trust, or Security Deed, as amended by accompanying riders (the "Security Instrument") protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument also describes how and under what conditions I may be required to make immediate payment of all amounts I owe under this Note. Some of those conditions are described as follows:

**(A)** Until my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument will read as follows:





**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice will provide a period of not less than 30 days from the date the notice is given in accordance with Section 16, within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.

**(B)** When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument described in Section 11(A) above will then cease to be in effect, and Section 19 of the Security Instrument will instead read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law. Lender also will not exercise this option if (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee, and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises this option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 16 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.





(C) The Borrower shall be in default if at any time the Borrower, or any immediate family of the Borrower, occupies the Property as a primary or secondary residence. If the Borrower is a business entity, the Borrower shall be in default if any member, partner, officer, trustee, owner, beneficiary or employee of the Borrower, or any immediate family members of the same, at any time occupy the Property as a primary or secondary residence.

(D) This loan is solely for a business or commercial purpose. The loan is not extended primarily for personal, family, household, or agricultural use.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

ELATA INVESTMENTS, LLC

By: David Jonathan Behrend (Seal)  
David Jonathan Behrend, AS -Borrower  
MANAGER





## PREPAYMENT ADDENDUM TO NOTE (FIXED PERCENTAGES)

Loan Number: 1514730  
MIN No.: 1017191-0001514730-5

Prepayments. Borrower may prepay the Loan in part or in full prior to the Maturity Date provided that Borrower:

- a. shall provide Lender with written notice of either (i) Borrower's intention to prepay the Loan in full by requesting a payoff letter or (ii) Borrower's making of a partial prepayment and the amount thereof; and
- b. commencing on the date hereof and continuing until the third anniversary date of the loan (the "Prepayment Term"), Borrower shall pay a prepayment premium to Lender simultaneously with the prepayment calculated on the amount prepaid as follows:
  - 1) If the Prepayment occurs on or before the first anniversary date of the loan, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
  - 2) If the Prepayment occurs after the first anniversary date, but on or before the second anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
  - 3) If the Prepayment occurs after the second anniversary date, but on or before the third anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.

A prepayment penalty shall not apply if the Prepayment occurs after the third anniversary date.

The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. A prepayment penalty shall apply pro rata to any partial prepayment.

ANY PREPAYMENT OF PRINCIPAL RESULTING FROM AN ACCELERATION OF THE LOAN FOLLOWING THE OCCURRENCE OF AN EVENT OF DEFAULT WILL INCUR A PREPAYMENT PREMIUM.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

ELATA INVESTMENTS, LLC

By: David Jonathan Behrend 7/30/2025  
Borrower David Jonathan Behrend, AS Date  
MANAGER





Date: August 4, 2025

Loan Number: 1514729  
MIN: 1017191-0001514729-7

**FIXED/ADJUSTABLE RATE NOTE**  
**(30-day Average SOFR Index (As Published by**  
**the Federal Reserve Bank of New York) - Rate Caps)**

**THIS NOTE CONTAINS PROVISIONS ALLOWING FOR A CHANGE IN MY FIXED  
 INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE  
 AMOUNT MY ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND  
 THE MINIMUM AND MAXIMUM RATES I MUST PAY.**

3906 DENKER AVE, LOS ANGELES, CALIFORNIA 90062

[Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan in the amount of U.S. \$ 624,000.00 (the "Principal") that I have received from INVESTOR MORTGAGE FINANCE LLC (the "Lender"),

I, the undersigned (the "Borrower"), promise to pay the Principal, plus interest, to the order of the Lender. I will make all payments under this Fixed/Adjustable Rate Note (this "Note") in U.S. currency in the form of cash, check, money order, or other payment method accepted by Lender.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid Principal until the full amount of the Principal has been paid. I will pay interest at a yearly rate of 6.475 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 is the rate I will pay before any default described in Section 7(B) of this Note. The interest rate I will pay after any default described in Section 7(B) of this Note is described in Section 7(F) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay Principal and interest by making a payment every month. This amount is called my "Monthly Payment."

I will make my Monthly Payment on the 1st day of each month beginning on October 2025. I will make these payments every month until I have paid all of the Principal and interest and any other charges described below that I may owe under this Note. Each Monthly Payment will be applied as of its scheduled due date and will be applied to interest before the Principal. If, on September 1, 2055, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my Monthly Payments at 1905 KRAMER LN. STE.B700, AUSTIN, TEXAS 78758

or at a different place if required by the Note Holder.

**(B) Amount of My Initial Monthly Payments**

Each of my initial Monthly Payments will be in the amount of U.S. \$ 3,933.85. This amount may change. This payment amount does not include any property taxes, insurance, or other charges that I may be required to pay each month.





**(C) Monthly Payment Changes**

Changes in my Monthly Payment will reflect changes in the unpaid Principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my Monthly Payment in accordance with Section 4 of this Note.

**4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of September, 2030, and the adjustable interest rate I will pay may change on the first day of the month every 6 month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my adjustable interest rate will be based on an Index that is calculated and provided to the general public by an administrator (the "Administrator"). The "Index" is a benchmark, known as the 30-day Average SOFR index. The Index is currently published by the Federal Reserve Bank of New York. The most recent Index value available as of the date 45 days before each Change Date is called the "Current Index," provided that if the Current Index is less than zero, then the Current Index will be deemed to be zero for purposes of calculating my interest rate.

If the Index is no longer available, it will be replaced in accordance with Section 4(G) below.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **FIVE AND 500/1000** percentage points (5.500 %) (the "Margin") to the Current Index. The Margin may change if the Index is replaced by the Note Holder in accordance with Section 4(G)(2) below. The Note Holder will then round the result of the Margin plus the Current Index to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the Monthly Payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Change Date on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my Monthly Payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than **8.475 %** or less than **6.475 %**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **ONE AND 000/1000** percentage point(s) (**1.000 %**) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than **11.475 %** or less than **6.475 %**.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new Monthly Payment beginning on the first Monthly Payment date after the Change Date until the amount of my Monthly Payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my Monthly Payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**(G) Replacement Index and Replacement Margin**

The Index is deemed to be no longer available and will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Note Holder will select a new index (the "Replacement Index") and may also select a new margin (the "Replacement Margin"), as follows:



- (1) If a replacement index has been selected or recommended for use in consumer products, including residential adjustable-rate mortgages, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Note Holder will select that index as the Replacement Index.
- (2) If a replacement index has not been selected or recommended for use in consumer products under Section (G)(1) at the time of a Replacement Event, the Note Holder will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Note Holder reasonably expects will minimize any change in the cost of the loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine my interest rate and Monthly Payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of my Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the "Index" and "Margin" will be deemed to be references to the "Replacement Index" and "Replacement Margin."

The Note Holder will also give me notice of my Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

## **5. BORROWER'S RIGHT TO PREPAY [SEE PREPAYMENT ADDENDUM]**

I shall be subject to the Prepayment terms set forth in the Prepayment Rider attached hereto and made a part hereof.

## **6. LOAN CHARGES**

If applicable law sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## **7. BORROWER'S FAILURE TO PAY AS REQUIRED**

### **(A) Late Charges for Overdue Payments**

If the Note Holder has not received the full amount of any Monthly Payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of the overdue payment of Principal and interest. I will pay this late charge promptly but only once on each late payment.

### **(B) Default**

If I do not pay the full amount of each Monthly Payment on the date it is due, I will be in default.

### **(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of unpaid Principal, all the interest that I owe on that amount, and any other charges due under this Note (the "Default Balance"). That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### **(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay the Default Balance immediately in full as described above, the Note Holder will still have the right to do so if I continue to be in default or if I am in default at a later time.

### **(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay the Default Balance immediately as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees and costs.



**(F) Default Rate of Interest**

If I am in default the interest rate that I am required to pay as described in Section 2 and Section 4 of this Note will be increased by 4.000%. For example, if the interest rate described in Section 2 is 7.000% and I am in default, my interest rate will increase to 11.000% until I am no longer in default. The default rate of interest shall apply when I am in default and for the period following acceleration of this Note until all amounts due under this Note and the Security Instrument are paid in full.

**8. GIVING OF NOTICES**

**(A) Notice to Borrower**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address. I will promptly notify the Note Holder of any change to my physical address and of any change to my mailing address. Unless applicable law requires otherwise, notice may instead be sent by e-mail or other electronic communication if agreed to by me and the Note Holder in writing and if I have provided the Note Holder with my current e-mail address or other electronic address. If I have agreed with the Note Holder that notice may be given by e-mail or other electronic communication, I will promptly notify the Note Holder of any changes to my e-mail address or other electronic address.

**(B) Notice to Note Holder**

Any notice that I must give to the Note Holder under this Note will be delivered by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given notice of that different address.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

Class Action Waiver: Any claim must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiffs, or similar proceeding (the "Class Action"). I expressly waive any ability to maintain any Class Action in any forum. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction.

**11. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Mortgage Deed, Deed of Trust, or Security Deed, as amended by accompanying riders (the "Security Instrument") protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument also describes how and under what conditions I may be required to make immediate payment of all amounts I owe under this Note. Some of those conditions are described as follows:

(A) Until my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument will read as follows:



**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice will provide a period of not less than 30 days from the date the notice is given in accordance with Section 16, within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.

**(B)** When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument described in Section 11(A) above will then cease to be in effect, and Section 19 of the Security Instrument will instead read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law. Lender also will not exercise this option if (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee, and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises this option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 16 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.



**(C)** The Borrower shall be in default if at any time the Borrower, or any immediate family of the Borrower, occupies the Property as a primary or secondary residence. If the Borrower is a business entity, the Borrower shall be in default if any member, partner, officer, trustee, owner, beneficiary or employee of the Borrower, or any immediate family members of the same, at any time occupy the Property as a primary or secondary residence.

**(D)** This loan is solely for a business or commercial purpose. The loan is not extended primarily for personal, family, household, or agricultural use.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

TRILOSA INVESTMENTS, LLC

By: David Jonathan Behrend (Seal)  
David Jonathan Behrend, AS -Borrower  
PRESIDENT OF HUBLU VENTURE  
CORPORATION, AS MEMBER



## PREPAYMENT ADDENDUM TO NOTE (FIXED PERCENTAGES)

Loan Number: 1514729  
MIN No.: 1017191-0001514729-7

Prepayments. Borrower may prepay the Loan in part or in full prior to the Maturity Date provided that Borrower:

- a. shall provide Lender with written notice of either (i) Borrower's intention to prepay the Loan in full by requesting a payoff letter or (ii) Borrower's making of a partial prepayment and the amount thereof; and
- b. commencing on the date hereof and continuing until the third anniversary date of the loan (the "Prepayment Term"), Borrower shall pay a prepayment premium to Lender simultaneously with the prepayment calculated on the amount prepaid as follows:
  - 1) If the Prepayment occurs on or before the first anniversary date of the loan, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
  - 2) If the Prepayment occurs after the first anniversary date, but on or before the second anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
  - 3) If the Prepayment occurs after the second anniversary date, but on or before the third anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.

A prepayment penalty shall not apply if the Prepayment occurs after the third anniversary date.

The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. A prepayment penalty shall apply pro rata to any partial prepayment.

ANY PREPAYMENT OF PRINCIPAL RESULTING FROM AN ACCELERATION OF THE LOAN FOLLOWING THE OCCURRENCE OF AN EVENT OF DEFAULT WILL INCUR A PREPAYMENT PREMIUM.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

TRILOSA INVESTMENTS, LLC

By:  8/4/2025  
Borrower David Jonathan Behrend, AS Date  
PRESIDENT OF HUBLU VENTURE  
CORPORATION, AS MEMBER





Date: August 4, 2025

Loan Number: 1514756  
MIN: 1017191-0001514756-0

**FIXED/ADJUSTABLE RATE NOTE**  
**(30-day Average SOFR Index (As Published by**  
**the Federal Reserve Bank of New York) - Rate Caps)**

**THIS NOTE CONTAINS PROVISIONS ALLOWING FOR A CHANGE IN MY FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE AMOUNT MY ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MINIMUM AND MAXIMUM RATES I MUST PAY.**

717 W 42ND PL, LOS ANGELES, CALIFORNIA 90037

[Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan in the amount of U.S. \$ 562,500.00 (the "Principal") that I have received from INVESTOR MORTGAGE FINANCE LLC (the "Lender"),

I, the undersigned (the "Borrower"), promise to pay the Principal, plus interest, to the order of the Lender. I will make all payments under this Fixed/Adjustable Rate Note (this "Note") in U.S. currency in the form of cash, check, money order, or other payment method accepted by Lender.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid Principal until the full amount of the Principal has been paid. I will pay interest at a yearly rate of 6.475 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 is the rate I will pay before any default described in Section 7(B) of this Note. The interest rate I will pay after any default described in Section 7(B) of this Note is described in Section 7(F) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay Principal and interest by making a payment every month. This amount is called my "Monthly Payment."

I will make my Monthly Payment on the 1st day of each month beginning on October 2025. I will make these payments every month until I have paid all of the Principal and interest and any other charges described below that I may owe under this Note. Each Monthly Payment will be applied as of its scheduled due date and will be applied to interest before the Principal. If, on September 1, 2055, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my Monthly Payments at 1905 KRAMER LN. STE B700, AUSTIN, TEXAS 78758

or at a different place if required by the Note Holder.

**(B) Amount of My Initial Monthly Payments**

Each of my initial Monthly Payments will be in the amount of U.S. \$ 3,546.14. This amount may change. This payment amount does not include any property taxes, insurance, or other charges that I may be required to pay each month.





**(C) Monthly Payment Changes**

Changes in my Monthly Payment will reflect changes in the unpaid Principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my Monthly Payment in accordance with Section 4 of this Note.

**4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of September, 2030, and the adjustable interest rate I will pay may change on the first day of the month every 6 month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my adjustable interest rate will be based on an Index that is calculated and provided to the general public by an administrator (the "Administrator"). The "Index" is a benchmark, known as the 30-day Average SOFR index. The Index is currently published by the Federal Reserve Bank of New York. The most recent Index value available as of the date 45 days before each Change Date is called the "Current Index," provided that if the Current Index is less than zero, then the Current Index will be deemed to be zero for purposes of calculating my interest rate.

If the Index is no longer available, it will be replaced in accordance with Section 4(G) below.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **FIVE AND 500/1000** percentage points (5.500 %) (the "Margin") to the Current Index. The Margin may change if the Index is replaced by the Note Holder in accordance with Section 4(G)(2) below. The Note Holder will then round the result of the Margin plus the Current Index to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the Monthly Payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Change Date on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my Monthly Payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than **8.475 %** or less than **6.475 %**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **ONE AND 000/1000** percentage point(s) (**1.000 %**) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than **11.475 %** or less than **6.475 %**.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new Monthly Payment beginning on the first Monthly Payment date after the Change Date until the amount of my Monthly Payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my Monthly Payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**(G) Replacement Index and Replacement Margin**

The Index is deemed to be no longer available and will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Note Holder will select a new index (the "Replacement Index") and may also select a new margin (the "Replacement Margin"), as follows:



- (1) If a replacement index has been selected or recommended for use in consumer products, including residential adjustable-rate mortgages, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Note Holder will select that index as the Replacement Index.
- (2) If a replacement index has not been selected or recommended for use in consumer products under Section (G)(1) at the time of a Replacement Event, the Note Holder will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Note Holder reasonably expects will minimize any change in the cost of the loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine my interest rate and Monthly Payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of my Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the "Index" and "Margin" will be deemed to be references to the "Replacement Index" and "Replacement Margin."

The Note Holder will also give me notice of my Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

## 5. BORROWER'S RIGHT TO PREPAY [SEE PREPAYMENT ADDENDUM]

I shall be subject to the Prepayment terms set forth in the Prepayment Rider attached hereto and made a part hereof.

## 6. LOAN CHARGES

If applicable law sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## 7. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any Monthly Payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of the overdue payment of Principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each Monthly Payment on the date it is due, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of unpaid Principal, all the interest that I owe on that amount, and any other charges due under this Note (the "Default Balance"). That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay the Default Balance immediately in full as described above, the Note Holder will still have the right to do so if I continue to be in default or if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay the Default Balance immediately as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees and costs.



**(F) Default Rate of Interest**

If I am in default the interest rate that I am required to pay as described in Section 2 and Section 4 of this Note will be increased by 4.000%. For example, if the interest rate described in Section 2 is 7.000% and I am in default, my interest rate will increase to 11.000% until I am no longer in default. The default rate of interest shall apply when I am in default and for the period following acceleration of this Note until all amounts due under this Note and the Security Instrument are paid in full.

**8. GIVING OF NOTICES**

**(A) Notice to Borrower**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address. I will promptly notify the Note Holder of any change to my physical address and of any change to my mailing address. Unless applicable law requires otherwise, notice may instead be sent by e-mail or other electronic communication if agreed to by me and the Note Holder in writing and if I have provided the Note Holder with my current e-mail address or other electronic address. If I have agreed with the Note Holder that notice may be given by e-mail or other electronic communication, I will promptly notify the Note Holder of any changes to my e-mail address or other electronic address.

**(B) Notice to Note Holder**

Any notice that I must give to the Note Holder under this Note will be delivered by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given notice of that different address.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**10. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

Class Action Waiver: Any claim must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiffs, or similar proceeding (the "Class Action"). I expressly waive any ability to maintain any Class Action in any forum. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction.

**11. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Mortgage Deed, Deed of Trust, or Security Deed, as amended by accompanying riders (the "Security Instrument") protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument also describes how and under what conditions I may be required to make immediate payment of all amounts I owe under this Note. Some of those conditions are described as follows:

(A) Until my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument will read as follows:



**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice will provide a period of not less than 30 days from the date the notice is given in accordance with Section 16, within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.

**(B)** When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 19 of the Security Instrument described in Section 11(A) above will then cease to be in effect, and Section 19 of the Security Instrument will instead read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** For purposes of this Section 19 only, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower to a purchaser at a future date.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if such exercise is prohibited by Applicable Law. Lender also will not exercise this option if (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee, and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises this option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 16 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to, or upon, the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower and will be entitled to collect all expenses incurred in pursuing such remedies, including, but not limited to: (a) reasonable attorneys' fees and costs; (b) property inspection and valuation fees; and (c) other fees incurred to protect Lender's Interest in the Property and/or rights under this Security Instrument.



**(C)** The Borrower shall be in default if at any time the Borrower, or any immediate family of the Borrower, occupies the Property as a primary or secondary residence. If the Borrower is a business entity, the Borrower shall be in default if any member, partner, officer, trustee, owner, beneficiary or employee of the Borrower, or any immediate family members of the same, at any time occupy the Property as a primary or secondary residence.

**(D)** This loan is solely for a business or commercial purpose. The loan is not extended primarily for personal, family, household, or agricultural use.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

TRILOSA INVESTMENTS, LLC

By: David Jonathan Behrend (Seal)  
David Jonathan Behrend, AS -Borrower  
PRESIDENT OF HUBLU VENTURE  
CORPORATION, AS MEMBER



## PREPAYMENT ADDENDUM TO NOTE

### (FIXED PERCENTAGES)

Loan Number: 1514756  
MIN No.: 1017191-0001514756-0

Prepayments. Borrower may prepay the Loan in part or in full prior to the Maturity Date provided that Borrower:

- a. shall provide Lender with written notice of either (i) Borrower's intention to prepay the Loan in full by requesting a payoff letter or (ii) Borrower's making of a partial prepayment and the amount thereof; and
- b. commencing on the date hereof and continuing until the third anniversary date of the loan (the "Prepayment Term"), Borrower shall pay a prepayment premium to Lender simultaneously with the prepayment calculated on the amount prepaid as follows:
  - 1) If the Prepayment occurs on or before the first anniversary date of the loan, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
  - 2) If the Prepayment occurs after the first anniversary date, but on or before the second anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.
  - 3) If the Prepayment occurs after the second anniversary date, but on or before the third anniversary date, the prepayment penalty will equal three percent (3%) of the Principal amount prepaid.

A prepayment penalty shall not apply if the Prepayment occurs after the third anniversary date.

The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. A prepayment penalty shall apply pro rata to any partial prepayment.

ANY PREPAYMENT OF PRINCIPAL RESULTING FROM AN ACCELERATION OF THE LOAN FOLLOWING THE OCCURRENCE OF AN EVENT OF DEFAULT WILL INCUR A PREPAYMENT PREMIUM.

**WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.**

TRILOSA INVESTMENTS, LLC

By: *Carl Jonathan Behrend* 8/4/2025  
Borrower David Jonathan Behrend, AS Date  
PRESIDENT OF HUBILU VENTURE  
CORPORATION, AS MEMBER







## PROMISSORY NOTE

Loan Number: 75790, in the amount of U.S. Four Hundred Eighty-Two Thousand Five Hundred Dollars and Zero Cents (\$482,500.00) dated 08/08/2025

Property Address: 417 West 52nd Place, Los Angeles, CA 90037

### **1. BORROWER'S PROMISE TO PAY**

FOR VALUE RECEIVED, the undersigned, Elata Investments, LLC, A Wyoming Limited Liability Company, (hereinafter called "**Borrower**") promises to pay to the order of Center Street Lending VIII SPE, LLC, A Delaware Limited Liability Company (hereinafter called "**Lender**," which term shall include any holder of this Note, which also hereinafter may be called "**Note Holder**") without offset at the Lender's office located at 18201 Von Karman Ave, Suite 400, Irvine , CA 92612 (or at such other address as the Lender shall designate), the principal amount not to exceed U.S. Four Hundred Eighty-Two Thousand Five Hundred Dollars and Zero Cents (\$482,500.00), or so much thereof as may be advanced and outstanding from time to time ("**Principal**"), together with interest on the Principal balance outstanding from time to time at the rate provided in this Note and all other sums owed by Borrower. This is a Single advance note ("**Note**"), and in no event shall the total Principal advances hereunder exceed \$482,500.00 (Four Hundred Eighty-Two Thousand Five Hundred Dollars and Zero Cents). Lender's obligation to advance Principal amounts hereunder shall at all times be subject to Lender's sole and absolute discretion. The entire unpaid balance of the Principal and interest, if not sooner paid, shall be and become due and payable on 08/08/2026, which is the ("**Maturity Date**") for this Note.

### **2. INTEREST**

Interest will be charged for each day on unpaid Principal, interest and all other sums owed by Borrower to Lender hereunder and under the Deed of Trust (defined below) (collectively "**Obligations**") from 08/08/2025 until the Obligations owed by Borrower have been paid to Lender. Borrower will pay interest at a daily interest rate of 1/360<sup>th</sup> of Nine and Ninety-Nine Hundredths (9.990%) or as modified under the Loan Modification and Extension Agreement. Borrower will pay interest on the amount lent or deemed to be lent to Borrower even though the Lender may hold some of Borrower's cash or other property as collateral for repayment. Daily rate of interest referred to herein shall be calculated on the basis of a three hundred sixty (360) day year for the actual days elapsed (including the first day and the last day) during which the Principal is outstanding. The interest rate required by this Section 2 is the rate Borrower will pay before any default.

### **3. PAYMENTS**

#### **(A) Time and Place of Payments**

Borrower will make a monthly payment on the 1ST day of each month beginning on 10/01/2025 ("**Payment Date**"). Borrower will make these payments every month until Borrower has paid all of the Obligations. Each monthly payment will be applied as set forth in Section 3(C), Application of Payments. If Borrower still owes amounts under this Note on the Maturity Date, Borrower will pay those amounts in full on the Maturity Date. If Borrower has prepaid interest in a given month but prepays this Note in full during that month, Borrower will be credited the unearned interest.

Borrower will make monthly payments at 18201 Von Karman Ave, Suite 400, Irvine , CA 92612 or at a different place if required by the Lender. Borrower recognizes that Borrower may not receive notice from Lender of required interest payments or the Maturity Date but is still required to make those payments when they are due or be subject to penalties, including interest at the Default Rate and late fees, as outlined in this Note or in the Deed of Trust securing this Note.

**(B) Amount of Monthly Payments**

Borrower's monthly interest payment will be in the amount of U.S. Three Thousand Nine Hundred Thirty-Three Dollars and Fifty-Six Cents (\$3,933.56) based on the Principal advanced by Lender under this Note as of 08/08/2025 and on a 30 day month. Borrower's monthly interest payment will increase if there are greater than 30 days in a month or Lender advances additional Principal amounts under this Note or additional Obligations accrue under this Note, the Deed of Trust or other Loan Documents, as defined in the Deed of Trust.

**(C) Application of Payments**

Payments made under this Note will be applied to pay the following in the order stated: (1) costs of collection and Late Charges and fees, if any; (2) any interest due and payable under this Note; (3) future interest; and (4) in the event all Obligations under the Note, Deed of Trust or Other Loan Documents are paid in full, to Principal.

**(D) Insufficient Funds**

If at any time during the term of this Note, or any extension thereof, the Borrower tenders a check or any form of payment to satisfy any obligation due herein, and in the event that such payment is returned due to insufficient funds ("NSF Payment"), then the following will occur:

The Borrower will, within 24 hours of notice, tender a cashier's check replacing the full amount of the NSF Payment that was returned. From that point forward, Lender may require and Borrower hereby agrees that all payments due the Lender will be made in certified funds only.

For each instance when a payment tendered by Borrower is returned unpaid for any reason, Borrower agrees to pay to Lender a fee of U.S. ONE HUNDRED DOLLARS (\$100.00) in addition to any other remedies contained herein or entitled to Lender.

**4. BORROWER'S RIGHT TO REPAY**

Borrower may prepay the Principal amount of this Note at any time, but only in full. Partial prepayments will be applied only to future interest payments and will not reduce the Principal amount due under this Note or the amount of monthly interest payments due under this Note.

**IF BORROWER PAYS OFF THIS NOTE WITHIN THE FIRST THIRTY (30) DAYS AFTER IT WAS MADE, THEN THE LENDER WILL RECEIVE A FULL THIRTY (30) DAYS INTEREST, REGARDLESS OF THE NUMBER OF DAYS THAT HAVE ELAPSED FROM INCEPTION OF THIS LOAN. THE PARTIES AGREE THAT THIS AMOUNT IS A REASONABLE ESTIMATE OF THE AMOUNT NEEDED TO REIMBURSE LENDER FOR THE COSTS OF MAKING THIS LOAN.**

**5. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. The Lender may choose to make this refund by reducing the Principal Borrower owes under this Note or by making a direct payment to Borrower.

**6. EVENTS OF DEFAULT**

Each of the following shall constitute an event of default ("Event of Default") under this Note, and the Lender may, at its option, declare this Note (including without limitation, all accrued interest) due and payable immediately regardless of the Maturity Date:

**(A)** Borrower's failure to pay any of the Obligations including, but not limited to, the Principal, and/or any payment due, and/or accrued interest due under this Note on or before the scheduled payment date, and/or Maturity Date without any requirements of notice from Lender of such failure to pay;



**(B)** (i) Any Borrower or any Guarantor for the Note, or any individual who is a principal of Borrower or any Guarantor, or any family member of any such person, occupying 417 West 52nd Place, Los Angeles, CA 90037 as their primary, secondary, or other residence, or (ii) the use of any portion of the proceeds of the loan for purposes other than business or commercial purposes.

**(C)** Any Borrower or any Guarantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note, the Deed of Trust, any Guaranty or in any other Loan Document or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender, any Affiliate Lender (as defined in Section 12 below), or any person who subsequently holds more than one promissory note of Borrower ("Multiple Lender") and such Borrower or Guarantor.

**(D)** Any Borrower's or any Guarantor's (i) assignment for the benefit of its creditors, or (ii) application for, consent to, or acquiescence in, the appointment of a trustee, receiver or other custodian for such Borrower or Guarantor, the property of Borrower or Guarantor or any part thereof, or in the absence of any application, consent or acquiescence, the appointment of a trustee, receiver or other custodian for such Borrower or Guarantor or a substantial part of the property of such Borrower or Guarantor, which appointment is not discharged within thirty (30) days;

**(E)** Commencement of any case under Title 11 of the United States Code or any other bankruptcy, reorganization, receivership, custodianship, or similar proceeding under any state or federal law by or against any Borrower or Guarantor and, with respect to any such case or proceeding that is involuntary, such case or proceeding is not dismissed within thirty (30) days of the filing thereof;

**(F)** In the event any Borrower, Affiliate (as defined of Borrower, Guarantor or Affiliate of Guarantor (including any entity in which such Borrower or Guarantor is a member, partner, shareholder or otherwise holds an interest therein) is obligated under more than one promissory note, or Note, with Lender, or an Affiliate Lender (as defined in the Cross-Collateralization and Cross-Default Agreement to which Borrower or Guarantor, or and Affiliate of Guarantor, or an Affiliate of Borrower, is a party), each Borrower and Guarantor agrees that an event of default in the payment or performance under any such Lender's or Affiliate Lenders' Notes shall constitute a default under this Note, and a default under this Note shall cause a default under all other such Lenders' and Affiliate Lenders' Notes;

**(G)** The occurrence of any event of default under (i) the Deed of Trust, Mortgage, Security Deed, or Mortgage & Security Agreement and Fixture Filing (and Assignment of Rents and Leases) (the "Deed of Trust") dated as of 08/08/2025 and executed by Borrower, as trustor or mortgagor, for the benefit of Lender, to secure this Note, (ii) the Hazardous Substances Certificate and Indemnity Agreement executed by Borrower for the benefit of Lender or (iii) any other documents, certifications or agreements Borrower has entered into in connection with the Note or the other Loan Documents;

**(H)** The occurrence of any event of default under that certain Guaranty executed by David Jonathan Behrend who is (are) identified as the Guarantor(s) in favor of Lender dated 08/08/2025.

**(I) Notice of Default**

If Borrower is in default of this Note, the Lender may send Borrower a written notice telling Borrower that the full amount of Principal which has not been paid and all accrued and unpaid interest, and all sums owed by Borrower that have not been paid are immediately due and payable, provided that no such notice is required to be sent to Borrower, but all such amounts shall still be due and payable.

**(J) No Waiver By Lender**

Even if, at a time when Borrower is in default, the Lender does not require the Borrower to pay immediately in full as described above, the Lender will still have the right to require the Borrower to do so if Borrower is in default at a later time.

**(K) Payment of Lender's Costs and Expenses**

Borrower agrees to pay Lender all out-of-pocket expenses, including attorney's fees incurred by Lender in collecting this Note or in preserving or disposing of any collateral granted as security for the payment of this Note or in defending any claim arising out of the execution of this Note or the Obligations which it evidences.

**(L) Payment of Default Damages**

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Borrower also promises to pay and shall pay to Lender on demand, Lender's actual damages caused by the Event of Default (the "Default Damages") (including, but not limited failure to pay this Note in full by the Date of Maturity) including, but not limited to, legal fees, accounting fees, increased credit facility costs, increased loan servicing costs, cost of personnel performing extra services related to the Event of Default, diminution in loan value, lost opportunity costs and all other actual damages from the date of the Event of Default. All such Default Damages shall be added to the Note and bear interest at the Note rate. By initialing below, Borrower acknowledges the issue of compensation to the Lender upon default has been considered and agreed to by the parties.

INITIAL: DB INITIAL: \_\_\_\_\_

**DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, LENDER MAY, AT ITS OPTION, WITHOUT NOTICE, DECLARE THE ENTIRE UNPAID PRINCIPAL PLUS ANY OTHER AMOUNTS OWED BY BORROWER TO LENDER UNDER THIS PROMISSORY NOTE OR THE DEED OF TRUST IMMEDIATELY DUE AND PAYABLE PROVIDED THAT ANY DEFAULT UNDER PARAGRAPH (E) SHALL RESULT IN AN AUTOMATIC ACCELERATION OF SUCH AMOUNTS WITHOUT ANY ACTION BY LENDER. LENDER MAY ALSO DECLARE, WITHOUT NOTICE, ANY OTHER NOTES FROM BORROWER OR GUARANTOR HELD BY LENDER, LENDER OR AFFILIATE LENDERS ALSO IMMEDIATELY DUE AND PAYABLE.**

**7. BORROWER'S FAILURE TO REPAY AS REQUIRED**

(A) BORROWER AGREES THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO DETERMINE, PRIOR TO SIGNING THIS NOTE, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY LENDER IF BORROWER FAILS TO REMIT TIMELY PAYMENTS HEREUNDER. LENDER'S DAMAGES WOULD INCLUDE, WITHOUT LIMITATION, LOST OPPORTUNITY COSTS, HIGHER CAPITAL COSTS AND ADDITIONAL COSTS OF ADMINISTRATION. BORROWER THEREFORE AGREES THAT THE FOREGOING RATE OF INTEREST, THE DEFAULT RATE, PLUS LATE CHARGES, CONSTITUTE REASONABLE DAMAGES PAYABLE TO LENDER UNDER THE CIRCUMSTANCES EXISTING AT THE TIME THIS CONTRACT WAS MADE AND AGREES TO PAY SUCH LATE CHARGES AND DEFAULT RATES OF INTEREST TO THE LENDER AS LIQUIDATED DAMAGES TO COVER EXPENSES INCURRED IN HANDLING ANY SUCH DELINQUENT PAYMENTS.

(B) Late Charges on Default

(i) Late Charge for Overdue Periodic Payments

If the Lender has not received the full amount of any monthly or other periodic payment by the end of TEN (10) calendar days after the date it is due, which ten (10) calendar days shall be inclusive of the date a payment is due ("Grace Period"), Borrower will pay a Late Charge to the Lender. The charge shall be assessed on the day immediately after the end of the Grace Period in an amount equal to TEN PERCENT (10%) of the amount that is due ("Late Charge"). Borrower will pay this Late Charge promptly but only once on each late payment.

(ii) Late Charge After Maturity or an Event of Default

If the Lender has not received the full amount of Principal, interest and other amounts due at the Maturity Date (whether due to acceleration or otherwise) by the Grace Period, Borrower will pay a late balloon payment charge to the Lender. The late balloon payment charge shall be assessed on the day immediately after the end of the Grace Period and shall equal the product of (x) the sum of one and the number of months that have elapsed since the earlier of i) the Maturity Date or ii) an Event of Default, and (y) the largest late charge for periodic payments which was assessed or could have been assessed under subparagraph 7(B)(i) above (whether or not assessed) with respect to any periodic payment under this Note.

(C) Interest on Default

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If Borrower is in default under this Note, as that event is contemplated under Section 6 of this Note, or defaults under any other clause of any document associated with this Note or the Loan Documents, and such default is not cured within any applicable cure or grace period, then the entire unpaid principal balance shall automatically bear an annual interest rate at the Default Rate (as defined in Section 7(C)(i) below).

**(i) Default Rate of Interest Applied for Overdue Periodic Payments After Thirty Days**

If the Lender has not received the full amount of any monthly or other periodic payment by the Payment Date for the subsequent month (excluding the Grace Period), then, in addition to the Late Charge and all other rights contained in this Note, the entire unpaid principal balance amount and obligations that are due shall automatically begin to accrue interest at the lesser of a daily rate of 1/360th of 18.00% or the greatest permissible amount under California law (the "Default Rate") retroactively as of the prior payment date. Interest at the Default Rate will continue to apply to the entire unpaid principal balance until all past due periodic payments, plus any fees or costs or obligations past due are paid in full.

**(ii) Maturity Default**

If the Lender has not received the full amount of Principal, interest and other amounts due at the Maturity Date (whether due to acceleration or otherwise) before the termination of the Grace Period, the amount that is due shall automatically begin to accrue interest at the Default Rate retroactively as of the Maturity Date until the amounts due are paid in full, the default is cured and, if applicable, the Loan is reinstated.

**8. GIVING OF NOTICES**

Unless applicable law requires a different method, all notices, demands, requests and other communications required pursuant to the provisions of this Note shall be in writing and shall be deemed to have been properly given or served for all purposes when presented personally, or one (1) day after delivery to a nationally recognized overnight courier service, or sent by United States Registered or Certified Mail- Return Receipt Requested, postage prepaid, to the respective addresses as follows:

If to Borrower:

515 Muskingum Ave  
Los Angeles, CA 90272

If to Original Lender:

Center Street Lending VIII SPE, LLC, A Delaware Limited Liability Company  
18201 Von Karman Ave, Suite 400, Irvine, CA 92612 .

Any of the parties may designate a change of address by notice in writing to the other parties. Whenever in this Note the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person or entity signs this Note, the obligations of such persons or entities with respect to this Note shall be joint and several and each person or entity is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person or entity who is a Guarantor, surety or endorser of this Note is also obligated to do these things (together the persons or entities who sign this Note the "Obligors"). Any person who takes over these obligations, including the obligations of a Guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note and is also an Obligor. The Lender may enforce its rights under this Note against each Obligor individually, or against all or some Obligors together jointly or severally. This means that any one Obligor or entity may be required to pay all of the amounts owed under this Note.



#### **10. TIME OF ESSENCE**

Time is of the essence with regard to each and every term, condition and obligation of Borrower under this Note. The time of any notice shall begin to run on the date of the mailing of such notice. For purposes hereof the refusal of certified mail shall constitute receipt.

#### **11. WAIVERS**

Borrower and each other "Obligor" waives presentment, demand, protest and notice of dishonor, to the fullest extent permitted by law, waives all exemptions, whether homestead or otherwise, as to the Obligations evidenced by this Note, waives any rights which it may have to require Lender to proceed against any other person, agrees that without notice to any Obligor and without affecting any Obligor's liability, Lender, at any time or times, may grant extensions of the time for payment or other indulgences to any Obligor or permit the renewal of this Note, or permit the substitution, exchange or release of any security for this Note and may add or release any Obligor primarily or secondarily liable, and agrees that Lender may apply all moneys made available to it from any Obligor or, except as otherwise provided in the Deed of Trust, the proceeds from the disposition of any security for this Note, either to this Note or to any other obligation of any Obligor to Lender

#### **12. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Lender under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument" also referred to herein, as the "Deed of Trust"), dated the same date as this Note, protects the Lender from possible losses which might result if Borrower and the other Obligors do not keep the promises which Borrower and such Obligors made in this Note. That Security Instrument describes how and under what conditions Borrower may be required to make immediate payment in full of all amounts Borrower and the other Obligors owe under this Note. Some, but not all, of those conditions are described as follows:

If all, or any part, of the subject property, or any interest therein, is sold, conveyed, alienated, transferred or encumbered (or if a beneficial interest in Trustor or mortgagor is sold, transferred or encumbered and Trustor or mortgagor is not a natural person), whether voluntary or involuntarily, without Beneficiary/Mortgagee's prior written consent, which Beneficiary/Mortgagee may withhold in its sole and absolute discretion, Beneficiary/Mortgagee shall have the right, at its option, except as prohibited by law, to declare any indebtedness or obligations secured hereby, irrespective of the maturity date specified in any Note evidencing the same, immediately due and payable. If Beneficiary/Mortgagee exercises this option, Beneficiary/Mortgagee shall give Trustor or mortgagor notice of acceleration. The notice shall provide a period of not less than ten (10) days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Deed of Trust. If Trustor or mortgagor fails to pay these sums prior to the expiration of this period, Beneficiary/Mortgagee may invoke any remedies permitted by this Deed of Trust without further notice or demand on Borrower.

For purposes "Security Instrument" shall also include any other deed of trust, security agreement or guaranty agreement securing any obligation of Borrower to any entity now or hereafter owned, controlled or managed by Center Street Lending Corporation or Center Street Lending Management, LLC, including, but not limited to: i) Center Street Lending Fund I, LLC, ii) Center Street Lending Fund IV, LLC, iii) Center Street Lending Fund IV SPE, LLC, iv) Center Street Lending V, LLC, v) Center Street Lending MP IV, LLC, vi) Center Street Lending MP III SPE, LLC, vii) Center Street Lending Fund X, LLC, viii) Center Street Loans, Inc. and ix) Center Street Lending VIII SPE, LLC (individually "Affiliate Lender" and collectively "Affiliate Lenders") whether currently existing or subsequently executed by Borrower in favor of Affiliate Lenders. Any default in the obligations of Borrower and the other Obligors owing to Lender or any Affiliate Lender under the terms and provisions of any note, loan agreement or any other loan documentation relating to any such obligations shall constitute a default under all of the Lender's and Affiliate Lenders' notes evidencing all of said obligations, as well as under the Security Instruments, and any such





default shall entitle Lender and Affiliate Lenders to exercise each and every right available to them under each and every of said documents, including, but not limited to, the right to foreclose against and sell any collateral, whether real or personal, securing any of said obligations as if said collateral secured all of said Lender's and Affiliate Lender's obligations.

**13. NON-WAIVERS**

Lender shall not be deemed to have waived any of Lender's rights or remedies hereunder unless such waiver is express and in a writing signed by Lender; and no delay or omission by Lender in exercising, or failure by Lender on any one or more occasions to exercise, any of Lender's rights hereunder, under the Deed of Trust or under any other Loan Document, or at law or in equity, including, without limitation, Lender's right, after any Event of Default, to declare the entire indebtedness evidenced hereby immediately due and payable, shall be construed as a novation of this Note or shall operate as a waiver or prevent the subsequent exercise of any or all of such rights. Acceptance by Lender of any portion or all of any sum payable hereunder whether before, on or after the due date of such payment, shall not be a waiver of Lender's right either to require prompt payment when due of all other sums payable hereunder or to exercise any of Lender's rights, powers and remedies hereunder under the Deed of Trust, or under any other Loan Document. A waiver of any right in writing on one occasion shall not be construed as a waiver of Lender's right to insist thereafter upon strict compliance with the terms hereof and no exercise of any right by Lender shall constitute or be deemed to constitute an election of remedies by Lender precluding the subsequent exercise by Lender of any or all of the rights, powers and remedies available to it hereunder, under the Deed of Trust, under any other Loan Document or at law or in equity. Nothing herein shall be deemed to be a waiver of any right which Lender may have under Sections 506(a), 506(b), 111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amounts of the debt secured by the other Loan Documents, or to require that all collateral shall continue to secure all of the debt owing to Lender in accordance with this Note and the other Loan Documents.

**14. APPLICABLE LAW**

This Note is governed by the laws of the State of California. Borrower agrees that if there is a lawsuit, upon the request of Lender, Borrower shall submit to the jurisdiction of the state courts located in the County of Orange, State of California, or the applicable federal district court that covers said county, and the lawsuit shall be tried and litigated therein. Borrower waives any right Borrower may have to assert the doctrine of forum non conveniens or to object to such venue.

**15. BUSINESS PURPOSE**

The proceeds of this Note shall only be used to acquire or carry on a business, professional investment, or commercial enterprise or activity.

**16. MODIFICATION**

This Note may not be modified except by an instrument in writing and signed by Lender.

**17. SEVERABILITY**

If at any time any provision of this Note is or becomes illegal, invalid or unenforceable in any respect, the legality, validity and enforceability of the remaining provisions of this Note will not be affected and such remaining provisions will remain in full force and effect.

**18. COSTS OF COLLECTION**

Borrower agrees to pay Lender all out-of-pocket expenses, including attorney's fees incurred by Lender in collecting or enforcing this Note or any other Loan Document or in preserving or disposing of any collateral granted

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as security for the payment of this Note or in defending any claim arising out of the execution of this Note or the Obligations which it evidences.

**19. COUNTERPARTS**

Separate signatures are permissible, and all signatures hereto may be provided by the parties hereto in separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

**[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK. SIGNATURES ARE ON THE FOLLOWING PAGE]**





IN WITNESS WHEREOF, the undersigned have caused this Promissory Note to be executed and delivered as of the date or dates written herein below.

**BORROWER(S):**

**BORROWER:**

Elate Investments, LLC, A Wyoming Limited  
Liability Company

David Behrend Date: 8/8/2025  
David Behrend, Manager

Payments should be made payable to:  
All Payments should be sent to:  
18201 Von Karman Ave, Suite 400,  
Irvine, CA 92612  
Please reference loan # 75790 on your payment





## PROMISSORY NOTE

Loan Number: 75976, in the amount of U.S. Four Hundred Seventy-Eight Thousand Dollars and Zero Cents (\$478,000.00) dated 09/17/2025

Property Address: 1460 Exposition Blvd, Los Angeles, CA 90018

### 1. BORROWER'S PROMISE TO PAY

FOR VALUE RECEIVED, the undersigned, Elata Investments, LLC, A Wyoming Limited Liability Company, (hereinafter called "**Borrower**") promises to pay to the order of Center Street Lending VIII SPE, LLC, A Delaware Limited Liability Company (hereinafter called "**Lender**," which term shall include any holder of this Note, which also hereinafter may be called "**Note Holder**") without offset at the Lender's office located at 18201 Von Karman Ave, Suite 400, Irvine , CA 92612 (or at such other address as the Lender shall designate), the principal amount not to exceed U.S. Four Hundred Seventy-Eight Thousand Dollars and Zero Cents (\$478,000.00), or so much thereof as may be advanced and outstanding from time to time ("**Principal**"), together with interest on the Principal balance outstanding from time to time at the rate provided in this Note and all other sums owed by Borrower. This is a Single advance note ("**Note**"), and in no event shall the total Principal advances hereunder exceed \$478,000.00 (Four Hundred Seventy-Eight Thousand Dollars and Zero Cents). Lender's obligation to advance Principal amounts hereunder shall at all times be subject to Lender's sole and absolute discretion. The entire unpaid balance of the Principal and interest, if not sooner paid, shall be and become due and payable on 09/17/2026, which is the ("**Maturity Date**") for this Note.

### 2. INTEREST

Interest will be charged for each day on unpaid Principal, interest and all other sums owed by Borrower to Lender hereunder and under the Deed of Trust (defined below) (collectively "**Obligations**") from 09/17/2025 until the Obligations owed by Borrower have been paid to Lender. Borrower will pay interest at a daily interest rate of 1/360<sup>th</sup> of Nine and Ninety-Nine Hundredths (9.990%) or as modified under the Loan Modification and Extension Agreement. Borrower will pay interest on the amount lent or deemed to be lent to Borrower even though the Lender may hold some of Borrower's cash or other property as collateral for repayment. Daily rate of interest referred to herein shall be calculated on the basis of a three hundred sixty (360) day year for the actual days elapsed (including the first day and the last day) during which the Principal is outstanding. The interest rate required by this Section 2 is the rate Borrower will pay before any default.

### 3. PAYMENTS

#### (A) Time and Place of Payments

Borrower will make a monthly payment on the 1ST day of each month beginning on 11/01/2025 ("**Payment Date**"). Borrower will make these payments every month until Borrower has paid all of the Obligations. Each monthly payment will be applied as set forth in Section 3(C), Application of Payments. If Borrower still owes amounts under this Note on the Maturity Date, Borrower will pay those amounts in full on the Maturity Date. If Borrower has prepaid interest in a given month but prepays this Note in full during that month, Borrower will be credited the unearned interest.

Borrower will make monthly payments at 18201 Von Karman Ave, Suite 400, Irvine , CA 92612 or at a different place if required by the Lender. Borrower recognizes that Borrower may not receive notice from Lender of required interest payments or the Maturity Date but is still required to make those payments when they are due or be subject to penalties, including interest at the Default Rate and late fees, as outlined in this Note or in the Deed of Trust securing this Note.



**(B) Amount of Monthly Payments**

Borrower's monthly interest payment will be in the amount of U.S. Three Thousand Eight Hundred Ninety-Six Dollars and Ten Cents (\$3,896.10) based on the Principal advanced by Lender under this Note as of 09/17/2025 and on a 30 day month. Borrower's monthly interest payment will increase if there are greater than 30 days in a month or Lender advances additional Principal amounts under this Note or additional Obligations accrue under this Note, the Deed of Trust or other Loan Documents, as defined in the Deed of Trust.

**(C) Application of Payments**

Payments made under this Note will be applied to pay the following in the order stated: (1) costs of collection and Late Charges and fees, if any; (2) any interest due and payable under this Note; (3) future interest; and (4) in the event all Obligations under the Note, Deed of Trust or Other Loan Documents are paid in full, to Principal.

**(D) Insufficient Funds**

If at any time during the term of this Note, or any extension thereof, the Borrower tenders a check or any form of payment to satisfy any obligation due herein, and in the event that such payment is returned due to insufficient funds ("NSF Payment"), then the following will occur:

The Borrower will, within 24 hours of notice, tender a cashier's check replacing the full amount of the NSF Payment that was returned. From that point forward, Lender may require and Borrower hereby agrees that all payments due the Lender will be made in certified funds only.

For each instance when a payment tendered by Borrower is returned unpaid for any reason, Borrower agrees to pay to Lender a fee of U.S. ONE HUNDRED DOLLARS (\$100.00) in addition to any other remedies contained herein or entitled to Lender.

**4. BORROWER'S RIGHT TO REPAY**

Borrower may prepay the Principal amount of this Note at any time, but only in full. Partial prepayments will be applied only to future interest payments and will not reduce the Principal amount due under this Note or the amount of monthly interest payments due under this Note.

**IF BORROWER PAYS OFF THIS NOTE WITHIN THE FIRST THIRTY (30) DAYS AFTER IT WAS MADE, THEN THE LENDER WILL RECEIVE A FULL THIRTY (30) DAYS INTEREST, REGARDLESS OF THE NUMBER OF DAYS THAT HAVE ELAPSED FROM INCEPTION OF THIS LOAN. THE PARTIES AGREE THAT THIS AMOUNT IS A REASONABLE ESTIMATE OF THE AMOUNT NEEDED TO REIMBURSE LENDER FOR THE COSTS OF MAKING THIS LOAN.**

**5. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. The Lender may choose to make this refund by reducing the Principal Borrower owes under this Note or by making a direct payment to Borrower.

**6. EVENTS OF DEFAULT**

Each of the following shall constitute an event of default ("Event of Default") under this Note, and the Lender may, at its option, declare this Note (including without limitation, all accrued interest) due and payable immediately regardless of the Maturity Date:

**(A) Borrower's failure to pay any of the Obligations including, but not limited to, the Principal, and/or any payment due, and/or accrued interest due under this Note on or before the scheduled payment date, and/or Maturity Date without any requirements of notice from Lender of such failure to pay;**

**(B)** (i) Any Borrower or any Guarantor for the Note, or any individual who is a principal of Borrower or any Guarantor, or any family member of any such person, occupying 1460 Exposition Blvd, Los Angeles, CA 90018 as their primary, secondary, or other residence, or (ii) the use of any portion of the proceeds of the loan for purposes other than business or commercial purposes.

**(C)** Any Borrower or any Guarantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note, the Deed of Trust, any Guaranty or in any other Loan Document or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender, any Affiliate Lender (as defined in Section 12 below), or any person who subsequently holds more than one promissory note of Borrower ("Multiple Lender") and such Borrower or Guarantor.

**(D)** Any Borrower's or any Guarantor's (i) assignment for the benefit of its creditors, or (ii) application for, consent to, or acquiescence in, the appointment of a trustee, receiver or other custodian for such Borrower or Guarantor, the property of Borrower or Guarantor or any part thereof, or in the absence of any application, consent or acquiescence, the appointment of a trustee, receiver or other custodian for such Borrower or Guarantor or a substantial part of the property of such Borrower or Guarantor, which appointment is not discharged within thirty (30) days;

**(E)** Commencement of any case under Title 11 of the United States Code or any other bankruptcy, reorganization, receivership, custodianship, or similar proceeding under any state or federal law by or against any Borrower or Guarantor and, with respect to any such case or proceeding that is involuntary, such case or proceeding is not dismissed within thirty (30) days of the filing thereof;

**(F)** In the event any Borrower, Affiliate (as defined of Borrower, Guarantor or Affiliate of Guarantor (including any entity in which such Borrower or Guarantor is a member, partner, shareholder or otherwise holds an interest therein) is obligated under more than one promissory note, or Note, with Lender, or an Affiliate Lender (as defined in the Cross-Collateralization and Cross-Default Agreement to which Borrower or Guarantor, or and Affiliate of Guarantor, or an Affiliate of Borrower, is a party), each Borrower and Guarantor agrees that an event of default in the payment or performance under any such Lender's or Affiliate Lenders' Notes shall constitute a default under this Note, and a default under this Note shall cause a default under all other such Lenders' and Affiliate Lenders' Notes;

**(G)** The occurrence of any event of default under (i) the Deed of Trust, Mortgage, Security Deed, or Mortgage & Security Agreement and Fixture Filing (and Assignment of Rents and Leases) (the "Deed of Trust") dated as of 09/17/2025 and executed by Borrower, as trustor or mortgagor, for the benefit of Lender, to secure this Note, (ii) the Hazardous Substances Certificate and Indemnity Agreement executed by Borrower for the benefit of Lender or (iii) any other documents, certifications or agreements Borrower has entered into in connection with the Note or the other Loan Documents;

**(H)** The occurrence of any event of default under that certain Guaranty executed by David Jonathan Behrend who is (are) identified as the Guarantor(s) in favor of Lender dated 09/17/2025.

**(I) Notice of Default**

If Borrower is in default of this Note, the Lender may send Borrower a written notice telling Borrower that the full amount of Principal which has not been paid and all accrued and unpaid interest, and all sums owed by Borrower that have not been paid are immediately due and payable, provided that no such notice is required to be sent to Borrower, but all such amounts shall still be due and payable.

**(J) No Waiver By Lender**

Even if, at a time when Borrower is in default, the Lender does not require the Borrower to pay immediately in full as described above, the Lender will still have the right to require the Borrower to do so if Borrower is in default at a later time.

**(K) Payment of Lender's Costs and Expenses**

Borrower agrees to pay Lender all out-of-pocket expenses, including attorney's fees incurred by Lender in collecting this Note or in preserving or disposing of any collateral granted as security for the payment of this Note or in defending any claim arising out of the execution of this Note or the Obligations which it evidences.

**(L) Payment of Default Damages**

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Borrower also promises to pay and shall pay to Lender on demand, Lender's actual damages caused by the Event of Default (the "Default Damages") (including, but not limited failure to pay this Note in full by the Date of Maturity) including, but not limited to, legal fees, accounting fees, increased credit facility costs, increased loan servicing costs, cost of personnel performing extra services related to the Event of Default, diminution in loan value, lost opportunity costs and all other actual damages from the date of the Event of Default. All such Default Damages shall be added to the Note and bear interest at the Note rate. By initialing below, Borrower acknowledges the issue of compensation to the Lender upon default has been considered and agreed to by the parties.

INITIAL:  INITIAL: \_\_\_\_\_

DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, LENDER MAY, AT ITS OPTION, WITHOUT NOTICE, DECLARE THE ENTIRE UNPAID PRINCIPAL PLUS ANY OTHER AMOUNTS OWED BY BORROWER TO LENDER UNDER THIS PROMISSORY NOTE OR THE DEED OF TRUST IMMEDIATELY DUE AND PAYABLE PROVIDED THAT ANY DEFAULT UNDER PARAGRAPH (E) SHALL RESULT IN AN AUTOMATIC ACCELERATION OF SUCH AMOUNTS WITHOUT ANY ACTION BY LENDER. LENDER MAY ALSO DECLARE, WITHOUT NOTICE, ANY OTHER NOTES FROM BORROWER OR GUARANTOR HELD BY LENDER, LENDER OR AFFILIATE LENDERS ALSO IMMEDIATELY DUE AND PAYABLE.

7. BORROWER'S FAILURE TO REPAY AS REQUIRED

(A) BORROWER AGREES THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO DETERMINE, PRIOR TO SIGNING THIS NOTE, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY LENDER IF BORROWER FAILS TO REMIT TIMELY PAYMENTS HEREUNDER. LENDER'S DAMAGES WOULD INCLUDE, WITHOUT LIMITATION, LOST OPPORTUNITY COSTS, HIGHER CAPITAL COSTS AND ADDITIONAL COSTS OF ADMINISTRATION. BORROWER THEREFORE AGREES THAT THE FOREGOING RATE OF INTEREST, THE DEFAULT RATE, PLUS LATE CHARGES, CONSTITUTE REASONABLE DAMAGES PAYABLE TO LENDER UNDER THE CIRCUMSTANCES EXISTING AT THE TIME THIS CONTRACT WAS MADE AND AGREES TO PAY SUCH LATE CHARGES AND DEFAULT RATES OF INTEREST TO THE LENDER AS LIQUIDATED DAMAGES TO COVER EXPENSES INCURRED IN HANDLING ANY SUCH DELINQUENT PAYMENTS.

(B) Late Charges on Default

(i) Late Charge for Overdue Periodic Payments

If the Lender has not received the full amount of any monthly or other periodic payment by the end of TEN (10) calendar days after the date it is due, which ten (10) calendar days shall be inclusive of the date a payment is due ("Grace Period"), Borrower will pay a Late Charge to the Lender. The charge shall be assessed on the day immediately after the end of the Grace Period in an amount equal to TEN PERCENT (10%) of the amount that is due ("Late Charge"). Borrower will pay this Late Charge promptly but only once on each late payment.

(ii) Late Charge After Maturity or an Event of Default

If the Lender has not received the full amount of Principal, interest and other amounts due at the Maturity Date (whether due to acceleration or otherwise) by the Grace Period, Borrower will pay a late balloon payment charge to the Lender. The late balloon payment charge shall be assessed on the day immediately after the end of the Grace Period and shall equal the product of (x) the sum of one and the number of months that have elapsed since the earlier of i) the Maturity Date or ii) an Event of Default, and (y) the largest late charge for periodic payments which was assessed or could have been assessed under subparagraph 7(B)(i) above (whether or not assessed) with respect to any periodic payment under this Note.

(C) Interest on Default

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If Borrower is in default under this Note, as that event is contemplated under Section 6 of this Note, or defaults under any other clause of any document associated with this Note or the Loan Documents, and such default is not cured within any applicable cure or grace period, then the entire unpaid principal balance shall automatically bear an annual interest rate at the Default Rate (as defined in Section 7(C)(i) below).

**(i) Default Rate of Interest Applied for Overdue Periodic Payments After Thirty Days**

If the Lender has not received the full amount of any monthly or other periodic payment by the Payment Date for the subsequent month (excluding the Grace Period), then, in addition to the Late Charge and all other rights contained in this Note, the entire unpaid principal balance amount and obligations that are due shall automatically begin to accrue interest at the lesser of a daily rate of 1/360th of 18.00% or the greatest permissible amount under California law (the "Default Rate") retroactively as of the prior payment date. Interest at the Default Rate will continue to apply to the entire unpaid principal balance until all past due periodic payments, plus any fees or costs or obligations past due are paid in full.

**(ii) Maturity Default**

If the Lender has not received the full amount of Principal, interest and other amounts due at the Maturity Date (whether due to acceleration or otherwise) before the termination of the Grace Period, the amount that is due shall automatically begin to accrue interest at the Default Rate retroactively as of the Maturity Date until the amounts due are paid in full, the default is cured and, if applicable, the Loan is reinstated.

**8. GIVING OF NOTICES**

Unless applicable law requires a different method, all notices, demands, requests and other communications required pursuant to the provisions of this Note shall be in writing and shall be deemed to have been properly given or served for all purposes when presented personally, or one (1) day after delivery to a nationally recognized overnight courier service, or sent by United States Registered or Certified Mail- Return Receipt Requested, postage prepaid, to the respective addresses as follows:

If to Borrower:

515 Muskingum Ave  
Los Angeles, CA 90272

If to Original Lender:

Center Street Lending VIII SPE, LLC, A Delaware Limited Liability Company  
18201 Von Karman Ave, Suite 400, Irvine, CA 92612 .

Any of the parties may designate a change of address by notice in writing to the other parties. Whenever in this Note the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person or entity signs this Note, the obligations of such persons or entities with respect to this Note shall be joint and several and each person or entity is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person or entity who is a Guarantor, surety or endorser of this Note is also obligated to do these things (together the persons or entities who sign this Note the "Obligors"). Any person who takes over these obligations, including the obligations of a Guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note and is also an Obligor. The Lender may enforce its rights under this Note against each Obligor individually, or against all or some Obligors together jointly or severally. This means that any one Obligor or entity may be required to pay all of the amounts owed under this Note.

#### **10. TIME OF ESSENCE**

Time is of the essence with regard to each and every term, condition and obligation of Borrower under this Note. The time of any notice shall begin to run on the date of the mailing of such notice. For purposes hereof the refusal of certified mail shall constitute receipt.

#### **11. WAIVERS**

Borrower and each other "Obligor" waives presentment, demand, protest and notice of dishonor, to the fullest extent permitted by law, waives all exemptions, whether homestead or otherwise, as to the Obligations evidenced by this Note, waives any rights which it may have to require Lender to proceed against any other person, agrees that without notice to any Obligor and without affecting any Obligor's liability, Lender, at any time or times, may grant extensions of the time for payment or other indulgences to any Obligor or permit the renewal of this Note, or permit the substitution, exchange or release of any security for this Note and may add or release any Obligor primarily or secondarily liable, and agrees that Lender may apply all moneys made available to it from any Obligor or, except as otherwise provided in the Deed of Trust, the proceeds from the disposition of any security for this Note, either to this Note or to any other obligation of any Obligor to Lender

#### **12. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Lender under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument" also referred to herein, as the "Deed of Trust"), dated the same date as this Note, protects the Lender from possible losses which might result if Borrower and the other Obligors do not keep the promises which Borrower and such Obligors made in this Note. That Security Instrument describes how and under what conditions Borrower may be required to make immediate payment in full of all amounts Borrower and the other Obligors owe under this Note. Some, but not all, of those conditions are described as follows:

If all, or any part, of the subject property, or any interest therein, is sold, conveyed, alienated, transferred or encumbered (or if a beneficial interest in Trustor or mortgagor is sold, transferred or encumbered and Trustor or mortgagor is not a natural person), whether voluntary or involuntarily, without Beneficiary/Mortgagee's prior written consent, which Beneficiary/Mortgagee may withhold in its sole and absolute discretion, Beneficiary/Mortgagee shall have the right, at its option, except as prohibited by law, to declare any indebtedness or obligations secured hereby, irrespective of the maturity date specified in any Note evidencing the same, immediately due and payable. If Beneficiary/Mortgagee exercises this option, Beneficiary/Mortgagee shall give Trustor or mortgagor notice of acceleration. The notice shall provide a period of not less than ten (10) days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Deed of Trust. If Trustor or mortgagor fails to pay these sums prior to the expiration of this period, Beneficiary/Mortgagee may invoke any remedies permitted by this Deed of Trust without further notice or demand on Borrower.

For purposes "Security Instrument" shall also include any other deed of trust, security agreement or guaranty agreement securing any obligation of Borrower to any entity now or hereafter owned, controlled or managed by Center Street Lending Corporation or Center Street Lending Management, LLC, including, but not limited to: i) Center Street Lending Fund I, LLC, ii) Center Street Lending Fund IV, LLC, iii) Center Street Lending Fund IV SPE, LLC, iv) Center Street Lending V, LLC, v) Center Street Lending MP IV, LLC, vi) Center Street Lending MP III SPE, LLC, vii) Center Street Lending Fund X, LLC, viii) Center Street Loans, Inc. and ix) Center Street Lending VIII SPE, LLC (individually "Affiliate Lender" and collectively "Affiliate Lenders") whether currently existing or subsequently executed by Borrower in favor of Affiliate Lenders. Any default in the obligations of Borrower and the other Obligors owing to Lender or any Affiliate Lender under the terms and provisions of any note, loan agreement or any other loan documentation relating to any such obligations shall constitute a default under all of the Lender's and Affiliate Lenders' notes evidencing all of said obligations, as well as under the Security Instruments, and any such





default shall entitle Lender and Affiliate Lenders to exercise each and every right available to them under each and every of said documents, including, but not limited to, the right to foreclose against and sell any collateral, whether real or personal, securing any of said obligations as if said collateral secured all of said Lender's and Affiliate Lender's obligations.

**13. NON-WAIVERS**

Lender shall not be deemed to have waived any of Lender's rights or remedies hereunder unless such waiver is express and in a writing signed by Lender; and no delay or omission by Lender in exercising, or failure by Lender on any one or more occasions to exercise, any of Lender's rights hereunder, under the Deed of Trust or under any other Loan Document, or at law or in equity, including, without limitation, Lender's right, after any Event of Default, to declare the entire indebtedness evidenced hereby immediately due and payable, shall be construed as a novation of this Note or shall operate as a waiver or prevent the subsequent exercise of any or all of such rights. Acceptance by Lender of any portion or all of any sum payable hereunder whether before, on or after the due date of such payment, shall not be a waiver of Lender's right either to require prompt payment when due of all other sums payable hereunder or to exercise any of Lender's rights, powers and remedies hereunder under the Deed of Trust, or under any other Loan Document. A waiver of any right in writing on one occasion shall not be construed as a waiver of Lender's right to insist thereafter upon strict compliance with the terms hereof and no exercise of any right by Lender shall constitute or be deemed to constitute an election of remedies by Lender precluding the subsequent exercise by Lender of any or all of the rights, powers and remedies available to it hereunder, under the Deed of Trust, under any other Loan Document or at law or in equity. Nothing herein shall be deemed to be a waiver of any right which Lender may have under Sections 506(a), 506(b), 111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amounts of the debt secured by the other Loan Documents, or to require that all collateral shall continue to secure all of the debt owing to Lender in accordance with this Note and the other Loan Documents.

**14. APPLICABLE LAW**

This Note is governed by the laws of the State of California. Borrower agrees that if there is a lawsuit, upon the request of Lender, Borrower shall submit to the jurisdiction of the state courts located in the County of Orange, State of California, or the applicable federal district court that covers said county, and the lawsuit shall be tried and litigated therein. Borrower waives any right Borrower may have to assert the doctrine of forum non conveniens or to object to such venue.

**15. BUSINESS PURPOSE**

The proceeds of this Note shall only be used to acquire or carry on a business, professional investment, or commercial enterprise or activity.

**16. MODIFICATION**

This Note may not be modified except by an instrument in writing and signed by Lender.

**17. SEVERABILITY**

If at any time any provision of this Note is or becomes illegal, invalid or unenforceable in any respect, the legality, validity and enforceability of the remaining provisions of this Note will not be affected and such remaining provisions will remain in full force and effect.

**18. COSTS OF COLLECTION**

Borrower agrees to pay Lender all out-of-pocket expenses, including attorney's fees incurred by Lender in collecting or enforcing this Note or any other Loan Document or in preserving or disposing of any collateral granted



as security for the payment of this Note or in defending any claim arising out of the execution of this Note or the Obligations which it evidences.

**19. COUNTERPARTS**

Separate signatures are permissible, and all signatures hereto may be provided by the parties hereto in separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

**[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK. SIGNATURES ARE ON THE FOLLOWING PAGE]**

IN WITNESS WHEREOF, the undersigned have caused this Promissory Note to be executed and delivered as of the date or dates written herein below.

**BORROWER(S):**

**BORROWER:**

Elat Investments, LLC, A Wyoming Limited  
Liability Company



Date: 9/18/2025

David Behrend, Manager

**Payments should be made payable to:**

**All Payments should be sent to:**  
**18201 Von Karman Ave, Suite 400,**  
**Irvine, CA 92612**

**Please reference loan # 75976 on your payment**

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**CERTIFICATION PURSUANT TO SECTION 302 (a) OF THE SARBANES-OXLEY ACT OF 2002**

I, David Behrend, Chairman and Chief Executive Officer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hubilu Venture Corporation (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report fairly presents in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Registrant's internal controls over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal controls over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Dated: November 17, 2025

*/s/ David Behrend*

David Behrend  
Chief Executive Officer  
(Principal Executive Officer)

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**CERTIFICATION PURSUANT TO SECTION 302 (a) OF THE SARBANES-OXLEY ACT OF 2002**

I, David Behrend, Chief Financial Officer of Hubilu Venture Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hubilu Venture Corporation (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report fairly presents in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, is made known to us by others within the entity, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Registrant's internal controls over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal controls over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Dated: November 17, 2025

*/s/ David Behrend*

David Behrend  
Chief Financial Officer  
(Principal Financial Officer)

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**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Hubilu Venture Corporation (the "Company") for the period ending September 30, 2025, as filed with the Securities and Exchange Commission on or about the date hereof ("Report"), I, David Behrend, the Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as enacted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 17, 2025

*/s/ David Behrend*  
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David Behrend  
Chief Executive Officer  
(Principal Executive Officer)

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**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ENACTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Hubilu Venture Corporation (the "Company") for the period ending September 30, 2025 as filed with the Securities and Exchange Commission on or about the date hereof ("Report"), I, David Behrend, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as enacted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 17, 2025

*/s/ David Behrend*  
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David Behrend  
Chief Financial Officer  
(Principal Financial Officer)

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