

BOARD OF
BUILDING AND SAFETY
COMMISSIONERS

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CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS
MAYOR

DEPARTMENT OF
BUILDING AND SAFETY
201 NORTH FIGUEROA STREET
LOS ANGELES, CA 90012

OSAMA YOUNAN, P.E.
GENERAL MANAGER
SUPERINTENDENT OF BUILDING

JOHN WEIGHT
EXECUTIVE OFFICER

July 3, 2025

Council District: # 7

Honorable Council of the City of Los Angeles
Room 395, City Hall

JOB ADDRESS: 10217 NORTH GLORY AVENUE, LOS ANGELES, CA
ASSESSORS PARCEL NO. (APN): 2565-021-056
Re: Invoice #882647-7

Pursuant to the authority granted by Section 91.103 of the Los Angeles Municipal Code, the Los Angeles Department of Building and Safety (LADBS) investigated and identified code violations at: **10217 North Glory Avenue, Los Angeles, CA** ("Property"). A copy of the title report which includes a full legal description of the property is attached as Exhibit A.

Pursuant to Section 98.0421, the property owner was issued an order on January 18, 2023 to pay a code violation inspection fee after violations were identified and verified upon inspection. The code violation inspection fees imposed by the LADBS are as follows:

<u>Description</u>	<u>Amount</u>
Code Violation Investigation fee	336.00
System Development Surcharge	20.16
Late Charge/Collection fee (250%)	840.00
System Development Surcharge late fee	50.40
Title Report fee	30.00
Grand Total	\$ 1,276.56

Pursuant to the authority granted by Section 7.35.3 of the Los Angeles Administrative Code, it is proposed that a lien for a total sum of **\$1,276.56** be recorded against the property. It is requested that the Honorable City Council of the City of Los Angeles (the "Council") designate the time and place protest can be heard concerning this matter, as set forth in Sections 7.35.3 and 7.35.5 of the Los Angeles Administrative Code.

It is further requested that Council instruct LADBS to deposit to Dept 08, Fund 48R, Balance Sheet Account 2200, any payment received against this lien in the amount of **\$1,276.56** on the referenced property. A copy of the title report which includes a full legal description of the property is attached as Exhibit A. A list of all the names and addresses of owners and all interested parties entitled to notice is included (Exhibit B). Also attached is a report which includes the current fair market value of the property including all encumbrances of record on the property as of the date of the report (Exhibit C).

DEPARTMENT OF BUILDING AND SAFETY


Ana Mae Yutan

Chief, LADBS Resource Management Bureau

ATTEST: HOLLY L. WOLCOTT, CITY CLERK

Lien confirmed by
City Council on:

BY: _____
DEPUTY



1649 BUCKINGHAM RD.
LOS ANGELES, CA 90019
Phone 310-943-9235 latitle@in2-res.com

Property Title Report

Work Order No. T18167
Dated as of: 08/29/2024

Prepared for: City of Los Angeles

SCHEDULE A
(Reported Property Information)

APN #: 2565-021-056

Property Address: 10217 N GLORY AVE City: Los Angeles County: Los Angeles

VESTING INFORMATION

Type of Document: GRANT DEED
Grantee : ARTHUR BOYADZHYAN AND HILDA KHORANI
Grantor : ARTHUR BOYADZHYAN
Deed Date : 05/12/2022 Recorded : 05/26/2022
Instr No. : 22-0565965

MAILING ADDRESS: ARTHUR BOYADZHYAN AND HILDA KHORANI
10217 GLORY AVE, TUJUNGA, CA 91042-2003

SCHEDULE B

LEGAL DESCRIPTION

Lot Number: 716 Tract No: 3952 Brief Description: TRACT NO 3952 LOT 716

MORTGAGES/LIENS

Type of Document: DEED OF TRUST ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILINGS
Recording Date: 05/24/2023 Document #: 23-0337984
Loan Amount: \$450,000
Lender Name: MEHRAN JAVAHERIAN
Borrowers Name: ARTHUR BOYADZHYAN AND HILDA KHORANI

MAILING ADDRESS: MEHRAN JAVAHERIAN
203 S. WILLMAN DRIVE BEVERLY HILLS, CA 90211

This page is part of your document - DO NOT DISCARD



20220565965



Pages:
0002

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

05/26/22 AT 08:00AM

FEES:	24.00
TAXES:	0.00
OTHER:	0.00
SB2:	75.00
PAID:	99.00



LEADSHEET



202205261130015

00022382965



013432559

SEQ:
01

SECURE - 8:00AM



THIS FORM IS NOT TO BE DUPLICATED

80029775-RU

RECORDING REQUESTED BY:
Provident Title Company
WHEN RECORDED MAIL RECORDED
DEED AND TAX STATEMENTS TO:
Arthur Boyadzhyan & Hilda Khorani
10217 Glory Avenue
Tujunga, CA 91042
TITLE ORDER NO: 80029775
ESCROW NO.: 4528-JS

GRANT DEED

The Undersigned Grantor(s) Declares that Documentary transfer tax is \$ 0.00 and CITY TAX IS \$0.00
() computed on full value of property conveyed, OR
() computed on the full value less liens of encumbrances remaining at the time of sale.
() unincorporated area ☒ City of Los Angeles AND

* "This is a bonafide gift and the grantor received nothing in return, R&T 11911"

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
Arthur Boyadzhyan, a married man, as his sole and separate property

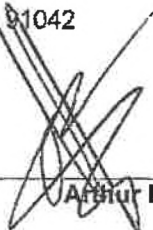
hereby GRANT(S) to
Arthur Boyadzhyan and Hilda Khorani, husband and wife as joint tenants

The following real property in the City of Los Angeles, County of Los Angeles, State of California:
described as: LOT 716 OF TRACT NO. 3952, CITY OF LOS ANGELES, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 43, PAGE 61 OF MAPS, IN THE
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
ASSESSOR'S PARCEL NO.: 2565-021-056

More commonly known as: 10217 Glory Avenue, Tujunga, CA 91042

Date: 05/12/2022

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.


Arthur Boyadzhyan
Arthur Boyadzhyan

STATE OF CALIFORNIA
COUNTY OF Los Angeles

On 5/13/22 before me,
Joel Sanchez a notary public, Personally
appeared Arthur Boyadzhyan

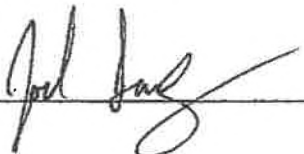
who proved to me on the basis of satisfactory evidence to be
the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies),
and that by his/her/their signature(s) on the instrument the
person(s)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

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

Witness my hand and official seal.



Signature



(This area for official notarial seal)

Mail Tax Statements As Directed Above

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20230337984



Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

05/24/23 AT 08:00AM

Pages:
0029

FEES:	176.00
TAXES:	0.00
OTHER:	0.00
SB2:	225.00
PAID:	401.00



LEADSHEET



202305240110053

00023465761



014085880

SEQ:
01

SECURE - 8:00AM



THIS FORM IS NOT TO BE DUPLICATED

80029775

RECORDING REQUESTED BY
PROVIDENT TITLE COMPANY
AND WHEN RECORDED MAIL TO

Name MEHRAN JAVAHERIAN
Street Address 203 S WILLMAN DRIVE
City, State Zip BEVERLY HILLS, CA 90211

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILINGS, AND
SECURITY AGREEMENT**

***THIS DEED OF TRUST AFFECTS
APN: 2565-021-056
APN: 2837-034-140**

MAIL TAX STATEMENTS TO PARTY SHOWN ON THE FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

Name

Street Address

City & State

Recording Requested by Provident Title

WHEN RECORDED, RETURN TO:

Mehran Javaherian
203 S Willaman Dr
Beverly Hills, California 90211

Loan No. 23-057
Property ID No.: 2565-021-056

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, FIXTURE
FILINGS, AND SECURITY AGREEMENT**

Note Amount: \$450,000.00 Complete legal description
Property Address: 10217 Glory Ave, Tujunga, California 91042 attached hereto as Exhibit 'A'

**THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH THE
CALIFORNIA UNIFORM COMMERCIAL CODE.**

This Deed of Trust, Assignment of Leases and Rents, Fixture Filings, and Security Agreement (the "Security Instrument" or "Deed of Trust") is made as of May 15, 2023, among Arthur Boyadzhyan and Hilda Khorani, husband and husband as joint tenants (collectively, "Borrower"), whose address is 10210 Glory St, Tujunga, California 91042; Real Property Trustee, Inc., as trustee ("Trustee"); and Mehran Javaherian, as beneficiary ("Lender"), whose address is 203 S Willaman Dr, Beverly Hills, California 90211.

TRANSFER OF RIGHTS IN THE PROPERTY

To secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations (as defined in this Security Instrument), Borrower GRANTS, BARGAINS, SELLS, AND CONVEYS to Trustee the Mortgaged Property, with power of sale and right of entry, subject only to the Permitted Encumbrances, to have and to hold the Mortgaged Property to Trustee, its successors in trust, and the Trustee's assigns forever, and Borrower does hereby bind itself, its successors, and its assigns to warrant and forever defend the title to the Mortgaged Property to Trustee against anyone lawfully claiming it or any part of it; provided, however, that if the Indebtedness is paid in full as and when it becomes due and payable and the Obligations are performed on or before the date they are to be performed and discharged, then the liens, security interests, estates, and rights granted by the Loan Documents shall terminate; otherwise, they shall remain in full force and effect. As additional security for the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations, Borrower grants to Lender a security interest in the Personalty, Fixtures, Leases, and Rents under Article Nine of the Uniform Commercial Code in effect in the state where the Mortgaged Property is located. Borrower further grants, bargains, conveys, assigns, transfers, and sets over to Trustee, acting as both a



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trustee and an agent for Lender under this Security Instrument, a security interest in and to all of Borrower's right, title, and interest in, to, and under the Personalty, Fixtures, Leases, Rents, and Mortgaged Property (to the extent characterized as personal property) to secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations.

Borrower agrees to execute and deliver, from time to time, such further instruments, including, but not limited to, security agreements, assignments, and UCC financing statements, as may be requested by Lender to confirm the lien of this Security Instrument on any of the Mortgaged Property. Borrower further irrevocably grants, transfers, and assigns to Lender the Rents. This assignment of Rents is to be effective to create a present security interest in existing and future Rents of the Mortgaged Property.

TO MAINTAIN AND PROTECT THE SECURITY OF THIS SECURITY INSTRUMENT, TO SECURE THE FULL AND TIMELY PERFORMANCE BY BORROWER OF EACH AND EVERY OBLIGATION, COVENANT, AND AGREEMENT OF BORROWER UNDER THE LOAN DOCUMENTS, AND AS ADDITIONAL CONSIDERATION FOR THE INDEBTEDNESS AND OBLIGATIONS EVIDENCED BY THE LOAN DOCUMENTS, BORROWER HEREBY COVENANTS, REPRESENTS, AND AGREES AS FOLLOWS:

DEFINITIONS.

1. **Definitions.** For purposes of this Security Instrument, each of the following terms shall have the following respective meanings:

1.1 **"Attorneys' Fees."** Any and all attorney fees (including the allocated cost of in-house counsel), paralegal, and law clerk fees, including, without limitation, fees for advice, negotiation, consultation, arbitration, and litigation at the pretrial, trial, and appellate levels, and in any bankruptcy proceedings, and attorney costs and expenses incurred or paid by Lender in protecting its interests in the Mortgaged Property, including, but not limited to, any action for waste, and enforcing its rights under this Security Instrument.

1.2 **"Borrower."**

1.2.1. The named Borrower in this Security Instrument;

1.2.2. The obligor under the Note, whether or not named as Borrower in this Security Instrument; and

1.2.3. Subject to any limitations of assignment as provided for in the Loan Documents, the heirs, legatees, devisees, administrators, executors, successors in interest to the Mortgaged Property, and the assigns of any such Person.

All references to Borrower in the remainder of the Loan Documents shall mean the obligor under the Note.

1.3 **"Event of Default."** An Event of Default as defined in the Loan Agreement.

1.4 **"Fixtures."** All right, title, and interest of Borrower in and to all materials, supplies, equipment, apparatus, and other items now or later attached to, installed on or in the Land or the Improvements, or that in some fashion are deemed to be fixtures to the Land or Improvements under the laws of the state where the Mortgaged Property is located, including the Uniform Commercial Code. "Fixtures" includes, without limitation, all items of Personalty to the extent that they may be deemed Fixtures under Governmental Requirements.

1.5 **"Governmental Authority."** Any and all courts, boards, agencies, commissions, offices, or authorities of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city, or otherwise) whether now or later in existence.

1.6 **"Governmental Requirements."** Any and all laws, statutes, codes, ordinances, regulations, enactments, decrees, judgments, and orders of any Governmental Authority.

1.7 **"Impositions."** All real estate and personal property taxes, water, gas, sewer, electricity, and other utility rates and charges; charges imposed under any subdivision, planned unit development, or condominium declaration or restrictions; charges for any easement, license, or agreement maintained for the benefit of the Mortgaged Property, and all other taxes, charges, and assessments and any interest, costs, or penalties of any kind and nature that at any time before or after the execution of this Security Instrument may be assessed, levied, or imposed on the Mortgaged Property or on its ownership, use, occupancy, or enjoyment.

1.8 **"Improvements."** Any and all buildings, structures, improvements, fixtures, and appurtenances now and later placed on the Mortgaged Property, including, without limitation, all apparatus and equipment, whether or not physically affixed to the land or any building, which is used to provide or supply air cooling, air conditioning, heat, gas, water, light, power, refrigeration, ventilation, laundry, drying, dish washing, garbage disposal, or other services; and all elevators, escalators, and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, partitions, ducts, compressors, plumbing, ovens, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains, curtain rods, mirrors, cabinets, paneling, rugs, attached floor coverings, furniture, pictures, antennas, pools, spas, pool and spa operation and maintenance equipment and apparatus, and trees and plants located on the Mortgaged Property, all of which, including replacements and additions, shall conclusively be deemed to be affixed to and be part of the Mortgaged Property conveyed to Trustee under this Security Instrument.

1.9 **"Indebtedness."** The principal of, interest on, and all other amounts and payments due under or evidenced by the following:

1.9.1. The Note (including, without limitation, the prepayment premium, late payment, and other charges payable under the Note);

1.9.2. The Loan Agreement;

1.9.3. This Security Instrument and all other Loan Documents;

1.9.4. All funds later advanced by Lender to or for the benefit of Borrower under any provision of any of the Loan Documents;

1.9.5. Any future loans or amounts advanced by Lender to Borrower when evidenced by a written instrument or document that specifically recites that the Obligations evidenced by such document are secured by the terms of this Security Instrument, including, but not limited to, funds advanced to protect the security or priority of the Security Instrument; and

1.9.6. Any amendment, modification, extension, rearrangement, restatement, renewal, substitution, or replacement of any of the foregoing.

1.10 **"Land."** The real estate or any interest in it described in Exhibit "A" attached to this Security Instrument and made a part of it, together with all Improvements and Fixtures and all rights, titles, and interests appurtenant to it.

1.11 **"Leases."** Any and all leases, subleases, licenses, concessions, or other agreements (written or verbal, now or later in effect) that grant a possessory interest in and to, or the right to extract, mine, reside in, sell, or use the Mortgaged Property, and all other agreements, including, but not limited to,



utility contracts, maintenance agreements, and service contracts that in any way relate to the use, occupancy, operation, maintenance, enjoyment, or ownership of the Mortgaged Property, except any and all leases, subleases, or other agreements under which Borrower is granted a possessory interest in the Land.

1.12 "Lender." The named Lender in this Security Instrument and the owner and holder (including a pledgee) of any Note, Indebtedness, or Obligations secured by this Security Instrument, whether or not named as Lender in this Security Instrument, and the heirs, legatees, devisees, administrators, executors, successors, and assigns of any such Person.

1.13 "Loan." The extension of credit made by Lender to Borrower under the terms of the Loan Documents.

1.14 "Loan Agreement." The Loan and Security Agreement given by Borrower evidencing the Loan, in such form as is acceptable to Lender, together with any and all rearrangements, extensions, renewals, substitutions, replacements, modifications, restatements, and amendments thereto.

1.15 "Loan Documents." Collectively, this Security Instrument, the Note, and all other instruments and agreements required to be executed by Borrower or any guarantor in connection with the Loan.

1.16 "Mortgaged Property." The Land, Improvements, Fixtures, Personalty, Leases, and Rents that is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF,

commonly known as: **10217 Glory Ave, Tujunga, California 91042**
Property ID No.: 2565-021-056

together with:

1.16.1. All right, title, and interest (including any claim or demand or demand in law or equity) that Borrower now has or may later acquire in or to such Mortgaged Property; all easements, rights, privileges, tenements, hereditaments, and appurtenances belonging or in any way appertaining to the Mortgaged Property; all of the estate, right, title, interest, claim, demand, reversion, or remainder of Borrower in or to the Mortgaged Property, either at law or in equity, in possession or expectancy, now or later acquired; all crops growing or to be grown on the Mortgaged Property; all development rights or credits and air rights; all water and water rights (whether or not appurtenant to the Mortgaged Property) and shares of stock pertaining to such water or water rights, ownership of which affects the Mortgaged Property; all minerals, oil, gas, and other hydrocarbon substances and rights thereto in, on, under, or upon the Mortgaged Property and all royalties and profits from any such rights or shares of stock; all right, title, and interest of Borrower in and to any streets, ways, alleys, strips, or gores of land adjoining the Land or any part of it that Borrower now owns or at any time later acquires and all adjacent lands within enclosures or occupied by buildings partly situated on the Mortgaged Property;

1.16.2. All intangible Mortgaged Property and rights relating to the Mortgaged Property or its operation or used in connection with it, including, without limitation, permits, licenses, plans, specifications, construction contracts, subcontracts, bids, deposits for utility services, installations, refunds due Borrower, trade names, trademarks, and service marks;

1.16.3. All of the right, title, and interest of Borrower in and to the land lying in the bed of any street, road, highway, or avenue in front of or adjoining the Land;



1.16.4. Any and all awards previously made or later to be made by any Governmental Authority to the present and all subsequent owners of the Mortgaged Property that may be made with respect to the Mortgaged Property as a result of the exercise of the right of eminent domain, the alteration of the grade of any street, or any other injury to or decrease of value of the Mortgaged Property, which award or awards are assigned to Lender and Lender, at its option, is authorized, directed, and empowered to collect and receive the proceeds of any such award or awards from the authorities making them and to give proper receipts and acquittances for them;

1.16.5. All certificates of deposit of Borrower in Lender's possession and all bank accounts of Borrower with Lender and their proceeds, and all deposits of Borrower with any Governmental Authority and/or public utility company that relate to the ownership of the Mortgaged Property;

1.16.6. All Leases of the Mortgaged Property or any part of it now or later entered into and all right, title, and interest of Borrower under such Leases, including cash or securities deposited by the tenants to secure performance of their obligations under such Leases (whether such cash or securities are to be held until the expiration of the terms of such Leases or applied to one or more of the installments of rent coming due immediately before the expiration of such terms), all rights to all insurance proceeds and unearned insurance premiums arising from or relating to the Mortgaged Property, all other rights and easements of Borrower now or later existing pertaining to the use and enjoyment of the Mortgaged Property, and all right, title, and interest of Borrower in and to all declarations of covenants, conditions, and restrictions as may affect or otherwise relate to the Mortgaged Property;

1.16.7. Any and all proceeds of any insurance policies covering the Mortgaged Property, whether or not such insurance policies were required by Lender as a condition of making the Loan secured by this Security Instrument or are required to be maintained by Borrower as provided below in this Security Instrument; which proceeds are assigned to Lender, and Lender, at its option, is authorized, directed, and empowered to collect and receive the proceeds of such insurance policies from the insurers issuing the same and to give proper receipts and acquittances for such policies, and to apply the same as provided below;

1.16.8. If the Mortgaged Property includes a leasehold estate, all of Borrower's right, title, and interest in and to the lease, more particularly described in Exhibit "A" attached to this Security Instrument (the "Leasehold") including, without limitation, the right to surrender, terminate, cancel, waive, change, supplement, grant subleases of, alter, or amend the Leasehold;

1.16.9. All plans and specifications for the Improvements; all contracts and subcontracts relating to the Improvements; all deposits (including tenants' security deposits; provided, however, that if Lender acquires possession or control of tenants' security deposits Lender shall use the tenants' security deposits only for such purposes as Governmental Requirements permit), funds, accounts, contract rights, instruments, documents, general intangibles, and notes or chattel paper arising from or in connection with the Mortgaged Property; all permits, licenses, certificates, and other rights and privileges obtained in connection with the Mortgaged Property; all soils reports, engineering reports, land planning maps, drawings, construction contracts, notes, drafts, documents, engineering and architectural drawings, letters of credit, bonds, surety bonds, any other intangible rights relating to the Land and Improvements, surveys, and other reports, exhibits, or plans used or to be used in connection with the construction, planning, operation, or maintenance of the Land and Improvements and all amendments and modifications; all proceeds arising from or by virtue of the sale, lease, grant of option, or other disposition of all or any part of the Mortgaged Property (consent to same is not granted or implied); and all proceeds (including premium refunds) payable or to be payable under each insurance policy relating to the Mortgaged Property;



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1.16.10. All trade names, trademarks, symbols, service marks, and goodwill associated with the Mortgaged Property and any and all state and federal applications and registrations now or later used in connection with the use or operation of the Mortgaged Property;

1.16.11. All tax refunds, bills, notes, inventories, accounts and charges receivable, credits, claims, securities, and documents of all kinds, and all instruments, contract rights, general intangibles, bonds and deposits, and all proceeds and products of the Mortgaged Property;

1.16.12. All money or other personal property of Borrower (including, without limitation, any instrument, deposit account, general intangible, or chattel paper, as defined in the Uniform Commercial Code) previously or later delivered to, deposited with, or that otherwise comes into Lender's possession;

1.16.13. All accounts, contract rights, chattel paper, documents, instruments, books, records, claims against third parties, money, securities, drafts, notes, proceeds, and other items relating to the Mortgaged Property;

1.16.14. All construction, supply, engineering, and architectural contracts executed and to be executed by Borrower for the construction of the Improvements; and

1.16.15. All proceeds of any of the foregoing.

As used in this Security Instrument, "Mortgaged Property" is expressly defined as meaning all or, when the context permits or requires, any portion of it and all or, when the context permits or requires, any interest in it.

1.17 "Note." The Secured Note payable by Borrower to the order of Lender in the principal amount of **Four Hundred Fifty Thousand and 00/100 Dollars (\$450,000.00)**, evidencing the Loan, in such form as is acceptable to Lender, together with any and all rearrangements, extensions, renewals, substitutions, replacements, modifications, restatements, and amendments to the Secured Note.

1.18 "Obligations." Any and all of the covenants, warranties, representations, and other obligations (other than to repay the Indebtedness) made or undertaken by Borrower to Lender or Trustee as set forth in the Loan Documents; any lease, sublease, or other agreement under which Borrower is granted a possessory interest in the Land; each obligation, covenant, and agreement of Borrower in the Loan Documents or in any other document executed by Borrower in connection with the loan(s) secured by this Security Instrument whether set forth in or incorporated into the Loan Documents by reference; each and every monetary provision of all covenants, conditions, and restrictions, if any, pertaining to the Mortgaged Property and on Lender's written request, the enforcement by Borrower of any covenant by third parties to pay maintenance or other charges, if they have not been paid, or valid legal steps taken to enforce such payment within 90 days after such written request is made; if the Mortgaged Property consists of or includes a leasehold estate, each obligation, covenant, and agreement of Borrower arising under, or contained in, the instrument(s) creating any such leasehold; all agreements of Borrower to pay fees and charges to Lender whether or not set forth in this Security Instrument; and charges, as allowed by law, when they are made for any statement regarding the obligations secured by this Security Instrument.

The Obligations specifically exclude the Environmental Indemnity Agreement dated the date of this Security Instrument, executed by Borrower and any guarantor of the Loan, which is not secured by this Security Instrument.

1.19 "Permitted Encumbrances." At any particular time, (a) liens for taxes, assessments, or governmental charges not then due and payable or not then delinquent; (b) liens, easements, encumbrances, and restrictions on the Mortgaged Property that are allowed by Lender to appear in Schedule B, with Parts I and II of an ALTA title policy to be issued to Lender following recordation of the Security Instrument; and (c) liens in favor of or consented to in writing by Lender.



1.20 "Person." Natural persons, corporations, partnerships, unincorporated associations, joint ventures, and any other form of legal entity.

1.21 "Personalty." All of the right, title, and interest of Borrower in and to all tangible and intangible personal property, whether now owned or later acquired by Borrower, including, but not limited to, water rights (to the extent they may constitute personal property), all equipment, inventory, goods, consumer goods, accounts, chattel paper, instruments, money, general intangibles, letter-of-credit rights, deposit accounts, investment property, documents, minerals, crops, and timber (as those terms are defined in the Uniform Commercial Code) and that are now or at any later time located on, attached to, installed, placed, used on, in connection with, or are required for such attachment, installation, placement, or use on the Land, the Improvements, Fixtures, or on other goods located on the Land or Improvements, together with all additions, accessions, accessories, amendments, modifications to the Land or Improvements, extensions, renewals, and enlargements and proceeds of the Land or Improvements, substitutions for, and income and profits from, the Land or Improvements. The Personalty includes, but is not limited to, all goods, machinery, tools, equipment (including fire sprinklers and alarm systems); building materials, air conditioning, heating, refrigerating, electronic monitoring, entertainment, recreational, maintenance, extermination of vermin or insects, dust removal, refuse and garbage equipment; vehicle maintenance and repair equipment; office furniture (including tables, chairs, planters, desks, sofas, shelves, lockers, and cabinets); safes, furnishings, appliances (including ice-making machines, refrigerators, fans, water heaters, and incinerators); rugs, carpets, other floor coverings, draperies, drapery rods and brackets, awnings, window shades, venetian blinds, curtains, other window coverings; lamps, chandeliers, other lighting fixtures; office maintenance and other supplies; loan commitments, financing arrangements, bonds, construction contracts, leases, tenants' security deposits, licenses, permits, sales contracts, option contracts, lease contracts, insurance policies, proceeds from policies, plans, specifications, surveys, books, records, funds, bank deposits; and all other intangible personal property. Personalty also includes any other portion or items of the Mortgaged Property that constitute personal property under the Uniform Commercial Code.

1.22 "Rents." All rents, issues, revenues, income, proceeds, royalties, profits, license fees, prepaid municipal and utility fees, bonds, and other benefits to which Borrower or the record title owner of the Mortgaged Property may now or later be entitled from or which are derived from the Mortgaged Property, including, without limitation, sale proceeds of the Mortgaged Property; any room or space sales or rentals from the Mortgaged Property; and other benefits paid or payable for using, leasing, licensing, possessing, operating from or in, residing in, selling, mining, extracting, or otherwise enjoying or using the Mortgaged Property.

1.23 "Uniform Commercial Code." The uniform commercial code as found in the statutes of the state in which the Mortgaged Property is located.

1.24 "Water Rights." All water rights of whatever kind or character, surface or underground, appropriative, decreed, or vested, that are appurtenant to the Mortgaged Property or otherwise used or useful in connection with the intended development of the Mortgaged Property.

Any terms not otherwise defined in this Security Instrument shall have the meaning given them in the Loan Agreement and Note, dated of even date herewith between Borrower and Lender.

UNIFORM COVENANTS

2. Repair and Maintenance of Mortgaged Property. Borrower shall (a) keep the Mortgaged Property in good condition and repair; (b) not substantially alter, remove, or demolish the Mortgaged

Property or any of the Improvements except when incident to the replacement of Fixtures, equipment, machinery, or appliances with items of like kind; (c) restore and repair to the equivalent of its original condition all or any part of the Mortgaged Property that may be damaged or destroyed, including, but not limited to, damage from termites and dry rot, soil subsidence, and construction defects, whether or not insurance proceeds are available to cover any part of the cost of such restoration and repair, and regardless of whether Lender permits the use of any insurance proceeds to be used for restoration under this Security Instrument; (d) pay when due all claims for labor performed, services performed, equipment provided and materials furnished in connection with the Mortgaged Property and not permit any mechanics' or materialman's lien to arise against the Mortgaged Property or furnish a loss or liability bond against such mechanics' or materialman's lien claims; (e) comply with all laws affecting the Mortgaged Property or requiring that any alterations, repairs, replacements, or improvements be made on it; (f) not commit or permit waste on or to the Mortgaged Property, or commit, suffer, or permit any act or violation of law to occur on it; (g) not abandon the Mortgaged Property; (h) cultivate, irrigate, fertilize, fumigate, and prune in accordance with prudent agricultural practices; (i) if required by Lender, provide for management satisfactory to Lender under a management contract approved by Lender; (j) notify Lender in writing of any condition at or on the Mortgaged Property that may have a significant and measurable effect on its market value; (k) if the Mortgaged Property is rental property, generally operate and maintain it in such manner as to realize its maximum rental potential; and (l) do all other things that the character or use of the Mortgaged Property may reasonably render necessary to maintain it in the same condition (reasonable wear and tear expected) as existed at the date of this Security Instrument.

3. Use of Mortgaged Property. Unless otherwise required by Governmental Requirements or unless Lender otherwise provides prior written consent, Borrower shall not change, nor allow changes in, the use of the Mortgaged Property from the current use of the Mortgaged Property as of the date of this Security Instrument. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Mortgaged Property without Lender's prior written consent.

4. Condemnation and Insurance Proceeds.

4.1 Assignment to Lender. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of or damage or injury to the Mortgaged Property, or any part of it, or for conveyance in lieu of condemnation, are assigned to and shall be paid to Lender, regardless of whether Lender's security is impaired. All causes of action, whether accrued before or after the date of this Security Instrument, of all types for damages or injury to the Mortgaged Property or any part of it, or in connection with any transaction financed by funds lent to Borrower by Lender and secured by this Security Instrument, or in connection with or affecting the Mortgaged Property or any part of it, including, without limitation, causes of action arising in tort or contract or in equity, are assigned to Lender as additional security, and the proceeds shall be paid to Lender. Lender, at its option, may appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement of such action. Borrower shall notify Lender in writing immediately on obtaining knowledge of any casualty damage to the Mortgaged Property or damage in any other manner in excess of \$2,000.00 or knowledge of the institution of any proceeding relating to condemnation or other taking of or damage or injury to all or any portion of the Mortgaged Property. Lender, in its sole and absolute discretion, may participate in any such proceedings and may join Borrower in adjusting any loss covered by insurance. Borrower covenants and agrees with Lender, at Lender's request, to make, execute, and deliver, at Borrower's expense, any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid award or awards, causes of action, or claims

of damages or proceeds to Lender free, clear, and discharged of any and all encumbrances of any kind or nature.

4.2 Insurance Payments. All compensation, awards, proceeds, damages, claims, insurance recoveries, rights of action, and payments that Borrower may receive or to which Lender may become entitled with respect to the Mortgaged Property if any damage or injury occurs to the Mortgaged Property, other than by a partial condemnation or other partial taking of the Mortgaged Property, shall be paid over to Lender and shall be applied first toward reimbursement of all costs and expenses of Lender in connection with their recovery and disbursement, and shall then be applied as follows:

4.2.1. Lender shall consent to the application of such payments to the restoration of the Mortgaged Property so damaged only if Borrower has met all the following conditions (a breach of any one of which shall constitute a default under this Security Instrument, the Loan Agreement, the Note, and any other Loan Documents): (a) Borrower is not in default under any of the terms, covenants, and conditions of the Loan Documents; (b) all then-existing Leases affected in any way by such damage will continue in full force and effect; (c) Lender is satisfied that the insurance or award proceeds, plus any sums added by Borrower, shall be sufficient to fully restore and rebuild the Mortgaged Property under then current Governmental Requirements; (d) within 60 days after the damage to the Mortgaged Property, Borrower presents to Lender a restoration plan satisfactory to Lender and any local planning department, which includes cost estimates and schedules; (e) construction and completion of restoration and rebuilding of the Mortgaged Property shall be completed in accordance with plans and specifications and drawings submitted to Lender within 30 days after receipt by Lender of the restoration plan and thereafter approved by Lender, which plans, specifications, and drawings shall not be substantially modified, changed, or revised without Lender's prior written consent; (f) within 3 months after such damage, Borrower and a licensed contractor satisfactory to Lender enter into a fixed price or guaranteed maximum price contract satisfactory to Lender, providing for complete restoration in accordance with such restoration plan for an amount not to exceed the amount of funds held or to be held by Lender; (g) all restoration of the Improvements so damaged or destroyed shall be made with reasonable promptness and shall be of a value at least equal to the value of the Improvements so damaged or destroyed before such damage or destruction; (h) Lender reasonably determines that there is an identified source (whether from income from the Mortgaged Property, rental loss insurance, or another source) sufficient to pay all debt service and operating expenses of the Mortgaged Property during its restoration as required above; and (i) any and all funds that are made available for restoration and rebuilding under this Section shall be disbursed, at Lender's sole and absolute discretion to Lender, through Lender, the Trustee, or a title insurance or trust company satisfactory to Lender, in accordance with standard construction lending practices, including a reasonable fee payable to Lender from such funds and, if Lender requests, mechanics' lien waivers and title insurance date-downs, and the provision of payment and performance bonds by Borrower, or in any other manner approved by Lender in Lender's sole and absolute discretion; or

4.2.2. If fewer than all conditions (a) through (i) above are satisfied, then such payments shall be applied in the sole and absolute discretion of Lender (a) to the payment or prepayment, with any applicable prepayment premium, of any Indebtedness secured by this Security Instrument in such order as Lender may determine, or (b) to the reimbursement of Borrower's expenses incurred in the rebuilding and restoration of the Mortgaged Property. If Lender elects under this Section to make any funds available to restore the Mortgaged Property, then all of conditions (a) through (i) above shall apply, except for such conditions that Lender, in its sole and absolute discretion, may waive.





4.3 Material Loss Not Covered. If any material part of the Mortgaged Property is damaged or destroyed and the loss, measured by the replacement cost of the Improvements according to then current Governmental Requirements, is not adequately covered by insurance proceeds collected or in the process of collection, Borrower shall deposit with Lender, within 30 days after Lender's request, the amount of the loss not so covered.

4.4 Total Condemnation Payments. All compensation, awards, proceeds, damages, claims, insurance recoveries, rights of action, and payments that Borrower may receive or to which Borrower may become entitled with respect to the Mortgaged Property in the event of a total condemnation or other total taking of the Mortgaged Property shall be paid over to Lender and shall be applied first to reimbursement of all Lender's costs and expenses in connection with their recovery, and shall then be applied to the payment of any Indebtedness secured by this Security Instrument in such order as Lender may determine, until the Indebtedness secured by this Security Instrument has been paid and satisfied in full. Any surplus remaining after payment and satisfaction of the Indebtedness secured by this Security Instrument shall be paid to Borrower as its interest may then appear.

4.5 Partial Condemnation Payments. All compensation, awards, proceeds, damages, claims, insurance recoveries, rights of action, and payments ("Awarded Funds") that Borrower may receive or to which Borrower may become entitled with respect to the Mortgaged Property in the event of a partial condemnation or other partial taking of the Mortgaged Property, unless Borrower and Lender otherwise agree in writing, shall be divided into two portions, one equal to the principal balance of the Note at the time of receipt of such Awarded Funds and the other equal to the amount by which such Awarded Funds exceed the principal balance of the Note at the time of receipt of such Awarded Funds. The first such portion shall be applied to the sums secured by this Security Instrument, whether or not then due, including but not limited to principal, accrued interest, and advances, and in such order or combination as Lender may determine, with the balance of the funds paid to Borrower.

4.6 Cure of Waiver of Default. Any application of such Awarded Funds or any portion of it to any Indebtedness secured by this Security Instrument shall not be construed to cure or waive any default or notice of default under this Security Instrument or invalidate any act done under any such default or notice.

5. Taxes and Other Sums Due. Borrower shall promptly pay, satisfy, and discharge: (a) all Impositions affecting the Mortgaged Property before they become delinquent; (b) such other amounts, chargeable against Borrower or the Mortgaged Property, as Lender reasonably deems necessary to protect and preserve the Mortgaged Property, this Security Instrument, or Lender's security for the performance of the Obligations; (c) all encumbrances, charges, and liens on the Mortgaged Property, with interest, which in Lender's judgment are, or appear to be, prior or superior to the lien of this Security Instrument or all costs necessary to obtain protection against such lien or charge by title insurance endorsement or surety company bond; (d) such other charges as Lender deems reasonable for services rendered by Lender at Borrower's request; and (e) all costs, fees, and expenses incurred by Lender in connection with this Security Instrument, whether or not specified in this Security Instrument.

On Lender's request, Borrower shall promptly furnish Lender with all notices of sums due for any amounts specified in the preceding clauses 5(a) through (e), and, on payment, with written evidence of such payment. If Borrower fails to promptly make any payment required under this Section, Lender may (but is not obligated to) make such payment. Borrower shall notify Lender immediately on receipt by Borrower of notice of any increase in the assessed value of the Mortgaged Property and agrees that Lender, in Borrower's name, may (but is not obligated to) contest by appropriate proceedings such increase in

assessment. Without Lender's prior written consent, Borrower shall not allow any lien inferior to the lien of this Security Instrument to be perfected against the Mortgaged Property and shall not permit any improvement bond for any unpaid special assessment to issue.

6. **Leases of Mortgaged Property by Borrower.** At Lender's request, Borrower shall furnish Lender with executed copies of all Leases of the Mortgaged Property or any portion of it then in force. If Lender so requires, all Leases later entered into by Borrower are subject to Lender's prior review and approval and must be acceptable to Lender in form and content. Each Lease must specifically provide, inter alia, that (a) it is subordinate to the lien of this Security Instrument; (b) the tenant attorns to Lender (and Borrower consents to any such attornment), such attornment to be effective on Lender's acquisition of title to the Mortgaged Property; (c) the tenant agrees to execute such further evidence of attornment as Lender may from time to time request; (d) the tenant's attornment shall not be terminated by foreclosure; and (e) Lender, at Lender's option, may accept or reject such attornment. If Borrower learns that any tenant proposes to do, or is doing, any act that may give rise to any right of setoff against Rent, Borrower shall immediately (i) take measures reasonably calculated to prevent the accrual of any such right of setoff; (ii) notify Lender of all measures so taken and of the amount of any setoff claimed by any such tenant; and (iii) within 10 days after the accrual of any right of setoff against Rent, reimburse any tenant who has acquired such right, in full, or take other measures that will effectively discharge such setoff and ensure that rents subsequently due shall continue to be payable without claim of setoff or deduction.

At Lender's request, Borrower shall assign to Lender, by written instrument satisfactory to Lender, all Leases of the Mortgaged Property, and all security deposits made by tenants in connection with such Leases. On assignment to Lender of any such Lease, Lender shall succeed to all rights and powers of Borrower with respect to such Lease, and Lender, in Lender's sole and absolute discretion, shall have the right to modify, extend, or terminate such Lease and to execute other further leases with respect to the Mortgaged Property that is the subject of such assigned Lease.

Neither Borrower, tenant nor any other occupant of the Mortgaged Property shall use the Mortgaged Property, except in compliance with all applicable federal, state, and local laws, ordinances, rules and regulations; nor shall Borrower, tenant or any other occupant cause the Mortgaged Property to become subject to any use that is not in compliance with all applicable federal, state, and local laws, ordinances, rules and regulations.

If Borrower suspects any tenant or other occupant of the Mortgaged Property is using the Mortgaged Property in a manner that is not in compliance with any Governmental Requirement to which Borrower, tenant, or any other occupant of the Mortgaged Property is subject, Borrower shall immediately take appropriate action to remedy the violation, and shall notify Lender of any potential violation within one (1) day of discovery of any such potential violation. Any potential violation by a tenant or any other occupant of the Mortgaged Property of any Governmental Requirement is an Event of Default under the terms of the Loan Agreement, the Note and this Security Instrument; and upon the occurrence of any such violation, Lender, at Lender's option, may, without prior notice, declare all sums secured by this Security Instrument, regardless of their stated due date(s), immediately due and payable and may exercise all rights and remedies in the Loan Documents.

7. **Right to Collect and Receive Rents.** Despite any other provision of this Security Instrument, Lender grants permission to Borrower to collect and retain the Rents of the Mortgaged Property as they become due and payable; however, such permission to Borrower shall be automatically revoked on default by Borrower in payment of any Indebtedness secured by this Security Instrument or in the performance of any of the Obligations, and Lender shall have the rights set forth in the laws and regulations where the



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Mortgaged Property is located regardless of whether declaration of default has been delivered, and without regard to the adequacy of the security for the Indebtedness secured by this Security Instrument. Failure of or discontinuance by Lender at any time, or from time to time, to collect any such Rents shall not in any manner affect the subsequent enforcement by Lender at any time, or from time to time, of the right, power, and authority to collect these Rents. The receipt and application by Lender of all such Rents under this Security Instrument, after execution and delivery of declaration of default and demand for sale as provided in this Security Instrument or during the pendency of trustee's sale proceedings under this Security Instrument or judicial foreclosure, shall neither cure such breach or default nor affect such sale proceedings, or any sale made under them, but such Rents, less all costs of operation, maintenance, collection, and Attorneys' Fees, when received by Lender, may be applied in reduction of the entire Indebtedness from time to time secured by this Security Instrument, in such order as Lender may decide. Nothing in this Security Instrument, nor the exercise of Lender's right to collect, nor an assumption by Lender of any tenancy, lease, or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Security Instrument to, any such tenancy, lease, or option, shall be, or be construed to be, an affirmation by Lender of any tenancy, lease, or option.

If the Rents of the Mortgaged Property are not sufficient to meet the costs, if any, of taking control of and managing the Mortgaged Property and collecting the Rents, any funds expended by Lender for such purposes shall become an Indebtedness of Borrower to Lender secured by this Security Instrument. Unless Lender and Borrower agree in writing to other terms of payment, such amounts shall be payable on notice from Lender to Borrower requesting such payment and shall bear interest from the date of disbursement at the rate stated in the Note unless payment of interest at such rate would be contrary to Governmental Requirements, in which event the amounts shall bear interest at the highest rate that may be collected from Borrower under Governmental Requirements.

Borrower expressly understands and agrees that Lender will have no liability to Borrower or any other person for Lender's failure or inability to collect Rents from the Mortgaged Property or for failing to collect such Rents in an amount that is equal to the fair market rental value of the Mortgaged Property. Borrower understands and agrees that neither the assignment of Rents to Lender nor the exercise by Lender of any of its rights or remedies under this Security Instrument shall be deemed to make Lender a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment, or operation of all or any portion of it, unless and until Lender, in person or by agent, assumes actual possession of it. Nor shall appointment of a receiver for the Mortgaged Property by any court at the request of Lender or by agreement with Borrower, or the entering into possession of the Mortgaged Property or any part of it by such receiver be deemed to make Lender a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment, or operation of all or any portion of it.

During an Event of Default, any and all Rents collected or received by Borrower shall be accepted and held for Lender in trust and shall not be commingled with Borrower's funds and property, but shall be promptly paid over to Lender.

8. Assignment of Causes of Action, Awards, and Damages. All causes of action, and all sums due or payable to Borrower for injury or damage to the Mortgaged Property, or as damages incurred in connection with the transactions in which the Loan secured by this Security Instrument was made, including, without limitation, causes of action and damages for breach of contract, fraud, concealment, construction defects, or other torts, or compensation for any conveyance in lieu of condemnation, are assigned to Lender, and all proceeds from such causes of action and all such sums shall be paid to Lender



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for credit against the Indebtedness secured by this Security Instrument. Borrower shall notify Lender immediately on receipt by Borrower of notice that any such sums have become due or payable and, immediately on receipt of any such sums, shall promptly remit such sums to Lender.

After deducting all expenses, including Attorneys' Fees, incurred by Lender in recovering or collecting any sums under this Section, Lender may apply or release the balance of any funds received by it under this Section, or any part of such balance, as it elects. Lender, at its option, may appear in and prosecute in its own name any action or proceeding to enforce any cause of action assigned to it under this Section and may make any compromise or settlement in such action whatsoever. Borrower covenants that it shall execute and deliver to Lender such further assignments of any such compensation awards, damages, or causes of action as Lender may request from time to time. If Lender fails or does not elect to prosecute any such action or proceeding and Borrower elects to do so, Borrower may conduct the action or proceeding at its own expense and risk.

9. **Defense of Security Instrument; Litigation.** Borrower represents and warrants that this Security Instrument creates a first position lien and security interest against the Mortgaged Property. Borrower shall give Lender immediate written notice of any action or proceeding (including, without limitation, any judicial, whether civil, criminal, or probate, or nonjudicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Mortgaged Property, this Security Instrument, Lender's security for the performance of the Obligations and payment of the Indebtedness, or the rights or powers of Lender under the Loan Documents. Despite any other provision of this Security Instrument, Borrower agrees that Lender or Trustee may (but is not obligated to) commence, appear in, prosecute, defend, compromise, and settle, in Lender's or Borrower's name, and as attorney-in-fact for Borrower, and incur necessary costs and expenses, including Attorneys' Fees in so doing, any action or proceeding, whether a civil, criminal, or probate judicial matter, nonjudicial proceeding, arbitration, or other alternative dispute resolution procedure, reasonably necessary to preserve or protect, or affecting or purporting to affect, the Mortgaged Property, this Security Instrument, Lender's security for performance of the Obligations and payment of the Indebtedness, or the rights or powers of Lender or Trustee under the Loan Documents, and that if Lender and Trustee elect not to do so, Borrower shall commence, appear in, prosecute, and defend any such action or proceeding. Borrower shall pay all costs and expenses of Lender and Trustee, including costs of evidence of title and Attorneys' Fees, in any such action or proceeding in which Lender or Trustee may appear or for which legal counsel is sought, whether by virtue of being made a party defendant or otherwise, and whether or not the interest of Lender or Trustee in the Mortgaged Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Mortgaged Property and any action brought by Lender to foreclose this Security Instrument or to enforce any of its terms or provisions.

10. **Borrower's Failure to Comply With Security Instrument.** If Borrower fails to make any payment or do any act required by this Security Instrument, or if there is any action or proceeding (including, without limitation, any judicial or nonjudicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Mortgaged Property, this Security Instrument, Lender's security for the performance of the Obligations and payment of the Indebtedness, or the rights or powers of Lender or Trustee under the Loan Agreement, the Note or this Security Instrument, Lender or Trustee may (but is not obligated to) (a) make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Mortgaged Property, this Security Instrument, or Lender's security for the performance of Borrower's Obligations and payment of the Indebtedness, or the rights or powers of Lender or Trustee under the Loan Documents, Lender and

Trustee being authorized to enter on the Mortgaged Property for any such purpose; and (b) in exercising any such power, pay necessary expenses, retain attorneys, and pay Attorneys' Fees incurred in connection with such action, without notice to or demand on Borrower and without releasing Borrower from any Obligations or Indebtedness.

11. Sums Advanced to Bear Interest and to Be Secured by Security Instrument. At Lender's request, Borrower shall immediately pay any sums advanced or paid by Lender or Trustee under any provision of this Security Instrument or the other Loan Documents. Until so repaid, all such sums and all other sums payable to Lender and Trustee shall be added to, and become a part of, the Indebtedness secured by this Security Instrument and bear interest from the date of advancement or payment by Lender or Trustee at the Default Rate provided in the Note, regardless of whether an Event of Default has occurred, unless payment of interest at such rate would be contrary to Governmental Requirements. All sums advanced by Lender under this Security Instrument or the other Loan Documents, shall have the same priority to which the Security Instrument otherwise would be entitled as of the date this Security Instrument is executed and recorded, without regard to the fact that any such future advances may occur after this Security Instrument is executed, and shall conclusively be deemed to be mandatory advances required to preserve and protect this Security Instrument and Lender's security for the performance of the Obligations and payment of the Indebtedness, and shall be secured by this Security Instrument to the same extent and with the same priority as the principal and interest payable under the Note.

12. Inspection of Mortgaged Property. In addition to any rights Lender may have under the laws and regulations where the Mortgaged Property is located, Lender may make, or authorize other persons, including, but not limited to, appraisers and prospective purchasers at any foreclosure sale commenced by Lender, to enter on or inspect the Mortgaged Property at reasonable times and for reasonable durations. Borrower shall permit all such entries and inspections to be made as long as Lender has given Borrower written notice of such inspection at least 24 hours before the entry and inspection.

13. Uniform Commercial Code Security Agreement. This Security Instrument is intended to be and shall constitute a security agreement under the Uniform Commercial Code for any of the Personalty specified as part of the Mortgaged Property that, under Governmental Requirements, may be subject to a security interest under the Uniform Commercial Code, and Borrower grants to Lender a security interest in those items. Borrower authorizes Lender to file financing statements in all states, counties, and other jurisdictions as Lender may elect, without Borrower's signature if permitted by law. Borrower agrees that Lender may file this Security Instrument, or a copy of it, in the real estate records or other appropriate index or in the Office of the Secretary of State and such other states as the Lender may elect, as a financing statement for any of the items specified above as part of the Mortgaged Property. Any reproduction of this Security Instrument or executed duplicate original of this Security Instrument, or a copy certified by a County Recorder in the state where the Mortgaged Property is located, or of any other security agreement or financing statement, shall be sufficient as a financing statement. In addition, Borrower agrees to execute and deliver to Lender, at Lender's request, any UCC financing statements, as well as any extensions, renewals, and amendments, and copies of this Security Instrument in such form as Lender may require to perfect a security interest with respect to the Personalty. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases of such statements, and shall pay all reasonable costs and expenses of any record searches for financing statements that Lender may reasonably require. Without the prior written consent of Lender, Borrower shall not create or suffer to be created any other security interest in the items, including any replacements and additions.

On any Event of Default, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may also invoke the remedies provided in the Non-Uniform Covenants section of this Security Instrument as to such items. In exercising any of these remedies, Lender may proceed against the items of Mortgaged Property and any items of Personalty separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies provided in the Non-Uniform Covenants section of this Security Instrument.

14. Fixture Filing. This Security Instrument constitutes a financing statement filed as a fixture filing under the Uniform Commercial Code, as amended or recodified from time to time, covering any portion of the Mortgaged Property that now is or later may become a fixture attached to the Mortgaged Property or to any Improvement. The addresses of Borrower ("Debtor") and Lender ("Secured Party") are set forth on the first page of this Security Instrument.

15. Waiver of Statute of Limitations. Borrower waives the right to assert any statute of limitations as a defense to the Loan Documents and the Obligations secured by this Security Instrument, to the fullest extent permitted by Governmental Requirements.

16. Default. Any Event of Default, as defined in the Loan Agreement, shall constitute an "Event of Default" as that term is used in this Security Instrument (and the term "Default" shall mean any event which, with any required lapse of time or notice, may constitute an Event of Default, whether or not any such requirement for notice or lapse of time has been satisfied).

17. Acceleration on Transfer or Encumbrance.

17.1 Acceleration on Transfer or Encumbrance of Mortgaged Property. If Borrower sells, gives an option to purchase, exchanges, assigns, conveys, encumbers (including, but not limited to PACE/HERO loans, any loans where payments are collected through property tax assessments, and super-voluntary liens which are deemed to have priority over the lien of the Security Instrument) (other than with a Permitted Encumbrance), transfers possession, or alienates all or any portion of the Mortgaged Property, or any of Borrower's interest in the Mortgaged Property, or suffers its title to, or any interest in, the Mortgaged Property to be divested, whether voluntarily or involuntarily; or if there is a sale or transfer of any interests in Borrower; or if Borrower changes or permits to be changed the character or use of the Mortgaged Property, or drills or extracts or enters into any lease for the drilling or extracting of oil, gas, or other hydrocarbon substances or any mineral of any kind or character on the Mortgaged Property; or if title to such Mortgaged Property becomes subject to any lien or charge, voluntary or involuntary, contractual or statutory, without Lender's prior written consent, then Lender, at Lender's option, may, without prior notice, declare all sums secured by this Security Instrument, regardless of their stated due date(s), immediately due and payable and may exercise all rights and remedies in the Loan Documents. For purposes of this Section "interest in the Mortgaged Property" means any legal or beneficial interest in the Mortgaged 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.

17.2 Replacement Personalty. Notwithstanding anything to the contrary herein, Borrower may from time to time replace Personalty constituting a part of the Mortgaged Property, as long as (a) the replacements for such Personalty are of equivalent value and quality; (b) Borrower has good and clear title to such replacement Personalty free and clear of any and all liens, encumbrances, security interests, ownership interests, claims of title (contingent or otherwise), or charges of any kind, or the rights of any conditional sellers, vendors, or any other third parties in or to such replacement Personalty have been



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expressly subordinated to the lien of the Security Instrument in a manner satisfactory to Lender and at no cost to Lender; and (c) at Lender's option, Borrower provides at no cost to Lender satisfactory evidence that the Security Instrument constitutes a valid and subsisting lien on and security interest in such replacement Personalty of the same priority as this Security Instrument has on the Mortgaged Property and is not subject to being subordinated or its priority affected under any Governmental Requirements.

17.3 Junior Liens. If Lender consents in writing, in Lender's sole and absolute discretion, the due-on-encumbrance prohibition shall not apply to a junior voluntary deed of trust or mortgage lien in favor of another lender encumbering the Mortgaged Property (the principal balance of any such junior encumbrance shall be added to the principal balance of the Indebtedness for purposes of determining compliance with the financial covenants of the Loan Agreement and the Note). Borrower shall reimburse Lender for all out-of-pocket costs and expenses incurred in connection with such encumbrance. Should Borrower fail to obtain Lender's express written consent to any junior voluntary lien, then Lender, at Lender's option, may, without prior notice and subject to Applicable Law, declare all sums secured by this Security Instrument, regardless of any their stated due date(s), immediately due and payable and may exercise all rights and remedies in the Loan Documents.

18. Waiver of Marshaling. Despite the existence of interests in the Mortgaged Property other than that created by this Security Instrument, and despite any other provision of this Security Instrument, if Borrower defaults in paying the Indebtedness or in performing any Obligations, Lender shall have the right, in Lender's sole and absolute discretion, to establish the order in which the Mortgaged Property will be subjected to the remedies provided in this Security Instrument and to establish the order in which all or any part of the Indebtedness secured by this Security Instrument is satisfied from the proceeds realized on the exercise of the remedies provided in this Security Instrument. Borrower and any person who now has or later acquires any interest in the Mortgaged Property with actual or constructive notice of this Security Instrument waives any and all rights to require a marshaling of assets in connection with the exercise of any of the remedies provided in this Security Instrument or otherwise provided by Governmental Requirements.

19. Consents and Modifications; Borrower and Lien Not Released. Despite Borrower's default in the payment of any Indebtedness secured by this Security Instrument or in the performance of any Obligations under this Security Instrument or Borrower's breach of any obligation, covenant, or agreement in the Loan Documents, Lender, at Lender's option, without notice to or consent from Borrower, any guarantor of the Indebtedness and of Borrower's Obligations under the Loan Documents, or any holder or claimant of a lien or interest in the Mortgaged Property that is junior to the lien of this Security Instrument, and without incurring liability to Borrower or any other person by so doing, may from time to time (a) extend the time for payment of all or any portion of Borrower's Indebtedness under the Loan Documents; (b) accept a renewal note or notes, or release any person from liability, for all or any portion of such Indebtedness; (c) agree with Borrower to modify the terms and conditions of payment under the Loan Documents; (d) reduce the amount of the monthly installments due under the Note; (e) reconvey or release other or additional security for the repayment of Borrower's Indebtedness under the Loan Documents; (f) approve the preparation or filing of any map or plat with respect to the Mortgaged Property; (g) enter into any extension or subordination agreement affecting the Mortgaged Property or the lien of this Security Instrument; and (h) agree with Borrower to modify the term, the rate of interest, or the period of amortization of the Note or alter the amount of the monthly installments payable under the Note. No action taken by Lender under this Section shall be effective unless it is in writing, subscribed by Lender, and, except as expressly stated in such writing, no such action will impair or affect (i) Borrower's obligation to



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pay the Indebtedness secured by this Security Instrument and to observe all Obligations of Borrower contained in the Loan Documents; (ii) the guaranty of any Person of the payment of the Indebtedness secured by this Security Instrument; or (iii) the lien or priority of the lien of this Security Instrument. At Lender's request, Borrower shall promptly pay Lender a reasonable service charge, together with all insurance premiums and Attorneys' Fees as Lender may have advanced, for any action taken by Lender under this Section.

Whenever Lender's consent or approval is specified as a condition of any provision of this Security Instrument, such consent or approval shall not be effective unless such consent or approval is in writing, signed by two authorized officers of Lender.

20. Future Advances. On request by Borrower, Lender, at Lender's option, may make future advances to Borrower. All such future advances, with interest, shall be added to and become a part of the Indebtedness secured by this Security Instrument when evidenced by promissory notes reciting that such note(s) are secured by this Security Instrument.

21. Prepayment. If the Loan Documents provide for a fee or charge as consideration for the acceptance of prepayment of principal, Borrower agrees to pay said fee or charge if the Indebtedness or any part of it shall be paid, whether voluntarily or involuntarily, before the due date stated in the Note, even if Borrower has defaulted in payment or in the performance of any agreement under the Loan Documents and Lender has declared all sums secured by this Security Instrument immediately due and payable.

22. Governing Law; Consent to Jurisdiction and Venue. This Loan is made by Lender and accepted by Borrower in the State of California except that at all times the provisions for the creation, perfection, priority, enforcement and foreclosure of the liens and security interests created in the Mortgaged Property under the Loan Documents shall be governed by and construed according to the laws of the state in which the Mortgaged Property is situated. To the fullest extent permitted by the law of the state in which the Mortgaged Property is situated, the law of the State of California shall govern the validity and enforceability of all Loan Documents, and the debt or obligations arising hereunder (but the foregoing shall not be construed to limit Lender's rights with respect to such security interest created in the state in which the Mortgaged Property is situated). The parties agree that jurisdiction and venue for any dispute, claim or controversy arising, other than with respect to perfection and enforcement of Lender's rights against the Mortgaged Property, shall be Los Angeles County, California, or the applicable federal district court that covers said County, and Borrower submits to personal jurisdiction in that forum for any and all purposes. Borrower waives any right Borrower may have to assert the doctrine of forum non conveniens or to object to such venue.

BORROWER'S INITIALS:  

23. Taxation of Security Instrument. In the event of the enactment of any law deducting from the value of the Mortgaged Property any mortgage lien on it, or imposing on Lender the payment of all or part of the taxes, charges, or assessments previously paid by Borrower under this Security Instrument, or changing the law relating to the taxation of mortgages, debts secured by mortgages, or Lender's interest in the Mortgaged Property so as to impose new incidents of tax on Lender, then Borrower shall pay such taxes or assessments or shall reimburse Lender for them; provided, however, that if in the opinion of Lender's counsel such payment cannot lawfully be made by Borrower, then Lender may, at Lender's option, declare all sums secured by this Security Instrument to be immediately due and payable without notice to Borrower. Lender may invoke any remedies permitted by this Security Instrument.

24. **Mechanic's Liens.** Borrower shall pay from time to time when due, all lawful claims and demands of mechanics, materialmen, laborers, and others that, if unpaid, might result in, or permit the creation of, a lien on the Mortgaged Property or any part of it, or on the Rents arising therefrom, and in general shall do or cause to be done everything necessary so that the lien and security interest of this Security Instrument shall be fully preserved, at Borrower's expense, without expense to Lender; provided, however, that if Governmental Requirements empower Borrower to discharge of record any mechanic's, laborer's, materialman's, or other lien against the Mortgaged Property by the posting of a bond or other security, Borrower shall not have to make such payment if Borrower posts such bond or other security on the earlier of (a) 10 days after the filing or recording of same or (b) within the time prescribed by law, so as not to place the Mortgaged Property in jeopardy of a lien or forfeiture.

25. **Liability for Acts or Omissions.** Lender shall not be liable or responsible for its acts or omissions under this Security Instrument, except for Lender's own gross negligence or willful misconduct, or be liable or responsible for any acts or omissions of any agent, attorney, or employee of Lender, if selected with reasonable care.

26. **Notices.** Except for any notice required by Governmental Requirements to be given in another manner, any notice required to be provided in this Security Instrument shall be given in accordance with the Loan Agreement.

27. **Statement of Obligations.** Except as otherwise provided by Governmental Requirements, at Lender's request, Borrower shall promptly pay to Lender such fee as may then be provided by law as the maximum charge for each statement of obligations, Lender's statement, Lender's demand, payoff statement, or other statement on the condition of, or balance owed, under the Note or secured by this Security Instrument.

28. **Remedies Are Cumulative.** Each remedy in this Security Instrument is separate and distinct and is cumulative to all other rights and remedies provided by this Security Instrument or by Governmental Requirements, and each may be exercised concurrently, independently, or successively, in any order whatsoever.

29. **Obligations of Borrower Joint and Several.** If more than one Person is named as Borrower, each obligation of Borrower under this Security Instrument shall be the joint and several obligations of each such Person.

30. **Delegation of Authority.** Whenever this Security Instrument provides that Borrower authorizes and appoints Lender as Borrower's attorney-in-fact to perform any act for or on behalf of Borrower or in the name, place, and stead of Borrower, Borrower expressly understands and agrees that this authority shall be deemed a power coupled with an interest and such power shall be irrevocable.

31. **Funds for Taxes Insurance, and Impositions.** If Borrower is in default under this Security Instrument or any of the Loan Documents, regardless of whether the default has been cured, then Lender may at any subsequent time, at its option to be exercised on 30 days written notice to Borrower, require Borrower to deposit with Lender or its designee, at the time of each payment of an installment of interest or principal under the Note, an additional amount sufficient to discharge the Impositions as they become due. The calculation of the amount payable and of the fractional part of it to be deposited with Lender shall be made by Lender in its sole and absolute discretion. These amounts shall be held by Lender or its designee not in trust and not as agent of Borrower and shall not bear interest, and shall be applied to the payment of any of the Impositions under the Loan Documents in such order or priority as Lender shall determine. If at any time within 30 days before the due date of these obligations the amounts then on deposit shall be insufficient to pay the obligations under the Note and this Security Instrument in full, Borrower shall deposit



the amount of the deficiency with Lender within 10 days after Lender's demand. If the amounts deposited are in excess of the actual obligations for which they were deposited, Lender may refund any such excess, or, at its option, may hold the excess in a reserve account, not in trust and not bearing interest, and reduce proportionately the required monthly deposits for the ensuing year. Nothing in this Section shall be deemed to affect any right or remedy of Lender under any other provision of this Security Instrument or under any statute or rule of law to pay any such amount and to add the amount so paid to the Indebtedness secured by this Security Instrument. Lender shall have no obligation to pay insurance premiums or taxes except to the extent the fund established under this Section is sufficient to pay such premiums or taxes, to obtain insurance, or to notify Borrower of any matters relative to the insurance or taxes for which the fund is established under this Section. Notwithstanding the preceding, Borrower and Lender may agree to impounds of taxes and insurance which impounds shall be identified in the Note.

Lender or its designee shall hold all amounts so deposited as additional security for the sums secured by this Security Instrument. Lender may, in its sole and absolute discretion and without regard to the adequacy of its security under this Security Instrument, apply such amounts or any portion of it to any Indebtedness secured by this Security Instrument, and such application shall not be construed to cure or waive any default or notice of default under this Security Instrument.

If Lender requires deposits to be made under this Section, Borrower shall deliver to Lender all tax bills, bond and assessment statements, statements for insurance premiums, and statements for any other obligations referred to above as soon as Borrower receives such documents.

If Lender sells or assigns this Security Instrument, Lender shall have the right to transfer all amounts deposited under this Section to the purchaser or assignee. After such a transfer, Lender shall be relieved and have no further liability under this Security Instrument for the application of such deposits, and Borrower shall look solely to such purchaser or assignee for such application and for all responsibility relating to such deposits.

32. General Provisions.

32.1 Successors and Assigns. This Security Instrument is made and entered into for the sole protection and benefit of Lender and Borrower and their successors and assigns, and no other Person or Persons shall have any right of action under this Security Instrument. The terms of this Security Instrument shall inure to the benefit of the successors and assigns of the parties, provided, however, that the Borrower's interest under this Security Instrument cannot be assigned or otherwise transferred without the prior consent of Lender. Lender in its sole discretion may transfer this Security Instrument, and may sell or assign participations or other interests in all or any part of this Security Instrument, all without notice to or the consent of Borrower.

32.2 Meaning of Certain Terms. As used in this Security Instrument and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" mean and include this Security Instrument as a whole, rather than any particular provision of it.

32.3 Authorized Agents. In exercising any right or remedy, or taking any action provided in this Security Instrument, Lender may act through its employees, agents, or independent contractors, as Lender expressly authorizes.

32.4 Gender and Number. Wherever the context so requires in this Security Instrument, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.

32.5 Captions. Captions and section headings used in this Security Instrument are for convenience of reference only, are not a part of this Security Instrument, and shall not be used in construing it.



33. Dispute Resolution: Waiver of Right to Jury Trial.

33.1 ARBITRATION. CONCURRENTLY HEREWITH, BORROWER AND ANY GUARANTOR SHALL EXECUTE THAT CERTAIN ARBITRATION AGREEMENT WHEREBY BORROWER, ANY GUARANTOR, AND LENDER AGREE TO ARBITRATE ANY DISPUTES TO RESOLVE ANY CLAIMS (AS DEFINED IN THE ARBITRATION AGREEMENT).

33.2 WAIVER OF RIGHT TO JURY TRIAL. CONCURRENTLY HEREWITH, BORROWER AND ANY GUARANTOR SHALL EXECUTE THAT CERTAIN ARBITRATION AGREEMENT AND WAIVER OF RIGHT TO JURY TRIAL WHEREBY BORROWER, ANY GUARANTOR, AND LENDER AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM (AS DEFINED IN THE ARBITRATION AGREEMENT) OR CAUSE OF ACTION BASED ON OR ARISING FROM THE LOAN.

BORROWER'S INITIALS: AS HK

33.3 PROVISIONAL REMEDIES: FORECLOSURE AND INJUNCTIVE RELIEF.

Nothing in the Section above, shall be deemed to apply to or limit the right of Lender to: (a) exercise self-help remedies, (b) foreclose judicially or nonjudicially against any real or personal property collateral, or to exercise judicial or nonjudicial power of sale rights, (c) obtain from a court provisional or ancillary remedies (including, but not limited to, injunctive relief, a writ of possession, prejudgment attachment, a protective order or the appointment of a receiver), or (d) pursue rights against Borrower or any other party in a third party proceeding in any action brought against Lender (including, but not limited to, actions in bankruptcy court). Lender may exercise the rights set forth in the foregoing clauses (a) through (d), inclusive, before, during, or after the pendency of any proceeding referred to in the Section above. Neither the exercise of self-help remedies nor the institution or maintenance of an action for foreclosure or provisional or ancillary remedies or the opposition to any such provisional remedies shall constitute a waiver of the right of any Borrower, Lender or any other party, including, but not limited to, the claimant in any such action, to require submission of the dispute, claim or controversy occasioning resort to such remedies to any proceeding referred to in the Section above.

34. Contractual Right to Appoint a Receiver Upon Default. Upon an Event of Default under this Security Instrument or a breach of any clause of any agreement signed in connection with the Loan to Borrower, Borrower agrees that Lender may appoint a receiver to control the Mortgaged Property within seven (7) days of any default. Borrower agrees to cooperate with the receiver and turn over all control to said receiver and otherwise cooperate with the receiver appointed by Lender.

35. Loan Agreement. This Security Instrument is subject to the provisions of the Loan Agreement. As specifically provided in the Loan Agreement, if Borrower defaults under this Security Instrument, Lender has the right and option to foreclose against any Collateral provided under the Loan Agreement.

36. Condominium and Planned Unit Developments. If any of the Mortgaged Property includes a unit or units in, together with an undivided interest in the common elements of, a condominium project (the "Condominium Project") or a Planned Unit Development ("PUD"), the following additional requirements shall be in place.

36.1 Additional Security. If the owners association or other entity which acts for the Condominium Project and/or PUD (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Mortgaged Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

36.2 Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's and/or PUD Constituent Documents. The "Constituent Documents" are the: (1) condominium declaration and/or any other document which creates the Condominium Project and or planned unit development; (2) any by-laws; (3) any code or regulations; and (4) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

36.3 Owners Association Policy Proceeds. If the Owners Association maintains a "master" or "blanket" policy on the Condominium Project or PUD and an event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Mortgaged Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by this Mortgage, with any excess paid to Borrower.

36.4 Owners Association Liability Coverage. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

36.5 Consent of Lender. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Mortgaged Property or consent to:

36.5.1. the abandonment and/or termination of the Condominium Project or PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain;

36.5.2. any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

36.5.3. termination of professional management and assumption of self-management of the Owners Association; or

36.5.4. any action which would have the effect of rendering the any insurance coverage maintained by the Owners Association unacceptable to Lender.

NON-UNIFORM COVENANTS.

Notwithstanding anything to the contrary elsewhere in this Security Instrument, Borrower and Lender further covenant and agree as follows:

37. Acceleration and Sale on Default. If an Event of Default occurs, Lender, at its option, in addition to other remedies provided at law, may declare all sums secured by this Security Instrument immediately due and payable by delivering to Trustee a written affidavit or declaration of default and demand for sale, executed by Lender and reciting facts demonstrating such default by Borrower, together with a written notice of default and election to sell the Mortgaged Property. Lender shall also deposit with Trustee the Note, this Security Instrument, and documents evidencing any additional advances or expenditures secured by this Security Instrument. On receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept such election to sell as true and conclusive of all facts and statements in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by Governmental Requirements. On the expiration of such period as may then be required by Governmental Requirements following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by Governmental Requirement, Trustee, without demand on Borrower, shall sell the Mortgaged Property at the time and place fixed in such notice of sale, either in whole or in separate parcels, and in such order as Trustee may determine or Lender

may direct (Borrower waives any right it may have under Governmental Requirements to direct the order of sale), at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale; provided, however, that Lender may offset its bid at such sale to the extent of the full amount owed to Lender under the Loan Documents, including, without limitation, Trustee's fees, expenses of sale, and costs, expenses, and Attorneys' Fees incurred by or on behalf of Lender in connection with collecting, litigating, or otherwise enforcing any right under the Loan Documents. Trustee may postpone the sale of all or any portion of the Mortgaged Property by public announcement made at the initial time and place of sale, and from time to time later by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to the purchaser at such public auction its deed conveying the Mortgaged Property sold, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact concerning notices shall be conclusive proof of its truthfulness. Any person, including Borrower, Trustee, or Lender, may purchase at such sale.

The proceeds or avails of any sale made under or by virtue of this Security Instrument, together with any other sums secured by this Security Instrument, which then may be held by the Trustee or Lender or any other person, shall be applied as follows: (1) To the payment of the costs and expenses of such sale, including Trustee's fees, costs of title evidence, Attorneys' Fees, and reasonable compensation to Lender and its agents and consultants, and of any judicial proceedings in which the same costs and expenses of sale may be made, and of all expenses, liabilities, and advances made or incurred by the Trustee or Lender under this Security Instrument, together with interest at the rate set forth in the Note on all advances made by the Trustee or Lender and all taxes or assessments, except any taxes, assessments, or other charges subject to which the Mortgaged Property was sold; (2) to the payment of the whole amount then due, owing, or unpaid on the Note for interest and principal, with interest on the unpaid principal at the Default Rate (as defined in the Note), from the due date of any such payment of principal until the same is paid; (3) to the payment of any other indebtedness required to be paid by Borrower under any provision of this Security Instrument, the Note, or any of the other Loan Documents; and (4) to the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive it.

38. Trustee. The Trustee shall be deemed to have accepted the terms of this trust when this Security Instrument, duly executed and acknowledged, is made a public record as provided by law. The Trustee shall not be obligated to notify any party to this Security Instrument of any pending sale under any other Security Instrument or of any action or proceeding in which Borrower, Lender, or Trustee is a party, unless such sale relates to or reasonably might affect the Mortgaged Property, this Security Instrument, Lender's security for the payment of the Indebtedness and the performance of the Obligations, or the rights or powers of Lender or Trustee under the Loan Documents, or unless such action or proceeding has been instituted by Trustee against the Mortgaged Property, Borrower, or Lender.

39. Power of Trustee to Reconvey or Consent. At any time, without liability and without notice to Borrower, on Lender's written request and presentation of the Note and this Security Instrument to Trustee for endorsement, and without altering or affecting (a) the personal liability of Borrower or any other person for the payment of the Indebtedness secured by this Security Instrument, or (b) the lien of this Security Instrument on the remainder of the Mortgaged Property as security for the repayment of the full amount of the Indebtedness then or later secured by this Security Instrument, (c) or any right or power of Lender or Trustee with respect to the remainder of the Mortgaged Property, Trustee may (i) reconvey or release any part of the Mortgaged Property from the lien of this Security Instrument; (ii) approve the preparation or filing of any map or plat of the Mortgaged Property; (iii) join in the granting of any easement burdening





the Mortgaged Property; or (iv) enter into any extension or subordination agreement affecting the Mortgaged Property or the lien of this Security Instrument.

40. Duty to Reconvey. On Lender's written request reciting that all sums secured hereby have been paid, surrender of the Note and this Security Instrument to Trustee for cancellation and retention by Trustee, and payment by Borrower of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Mortgaged Property then held by Trustee under this Security Instrument. The recitals in such reconveyance of any matters of fact shall be conclusive proof of their truthfulness. The grantee in such reconveyance may be described as "the person or persons legally entitled to the Mortgaged Property." Such request and reconveyance shall operate as a reassignment of the Rents assigned to Lender in this Security Instrument.

41. Substitution of Trustee. Lender, at Lender's option, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Security Instrument, which instrument, when executed and acknowledged by Lender and recorded in the office of the Recorder of the county or counties in which the Mortgaged Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers, and duties of such predecessor Trustee, including, without limitation, the power to reconvey the Mortgaged Property. To be effective, the instrument must contain the names of the original Borrower, Trustee, and Lender under this Security Instrument, the book and page or instrument or document number at which, and the county or counties in which, this Security Instrument is recorded, and the name and address of the substitute Trustee. If any notice of default has been recorded under this Security Instrument, this power of substitution cannot be exercised until all costs, fees, and expenses of the then acting Trustee have been paid. On such payment, the then acting Trustee shall endorse receipt of the payment on the instrument of substitution. The procedure provided in this Section for substitution of Trustees is not exclusive of other provisions for substitution provided by Governmental Requirements.

42. Assignment of Rents. This assignment of Rents is to be effective to create a present security interest in existing and future Rents of the Mortgaged Property under California Civil Code §2938.

43. Waiver of Right of Offset. No portion of the Indebtedness secured by this Security Instrument shall be or be deemed to be offset or compensated by all or any part of any claim, cause of action, counterclaim, or cross-claim, whether liquidated or unliquidated, that Borrower may have or claim to have against Lender. Borrower hereby waives, to the fullest extent permitted by Governmental Requirements, the benefits of California Code of Civil Procedure section 431.70, which provides:

Where cross-demands for money have existed between persons at any point in time when neither demand was barred by the statute of limitations, and an action is thereafter commenced by one such person, the other person may assert in the answer the defense of payment in that the two demands are compensated so far as they equal each other, notwithstanding that an independent action asserting the person's claim would at the time of filing the answer be barred by the statute of limitations. If the cross-demand would otherwise be barred by the statute of limitations, the relief accorded under this Section shall not exceed the value of the relief granted to the other party. The defense provided by this Section is not available if the cross-demand is barred for failure to assert it in a prior action under Section 426.30. Neither person can be deprived of the benefits of this Section by the assignment or death of the other. For the purposes of this Section, a money judgment is a "demand for money" and, as applied to a money judgment, the demand is barred by the



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statute of limitations when enforcement of the judgment is barred under Chapter 3 (commencing with Section 683.010) of Division 1 of Title 9.

44. California Business & Professions Code § 10238 Notice. If there are multiple beneficiaries to this Security Instrument, the provisions of California Business & Professions Code Section 10238(i) and California Civil Code Section 2941.9 may control the actions to be taken by the beneficiaries. Section 10238(i) provides "[t]he holders of more than 50 percent of the recorded beneficial interests of the notes or interests may govern the actions to be taken on behalf of all holders in accordance with Section 2941.9 of the Civil Code in the event of default or foreclosure for matters that require direction or approval of the holders, including designation of the broker, servicing agent, or other person acting on their behalf, and the sale, encumbrance, or lease of real property owned by the holders resulting from foreclosure or receipt of a deed in lieu of foreclosure."

IN WITNESS WHEREOF, Borrower has executed and delivered this Security Instrument as of the date first written above.

BORROWER:

ARTHUR BOYADZHYAN

Arthur Boyadzhyan, an individual (ARTHUR BOYADZHYAN)

HILDA KHORANI

Hilda Khorani, an individual



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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)

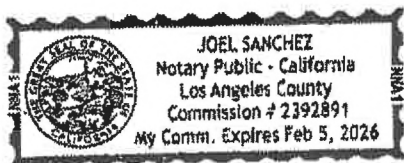
On 3/17/2023 before me, Joel Sanchez, Notary Public, Notary Public
Date Here Insert Name of the Officer

Personally Appeared Arthur Boyadzhyan & Hilda Kherani
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Signature]
Signature of Notary Public

~~EXHIBIT "A"~~
LEGAL PROPERTY DESCRIPTION

* Complete legal description
attached hereto as Exhibit 'A'

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES,
CITY OF LOS ANGELES AND DESCRIBED AS FOLLOWS:

**LOT 716 OF TRACT NO. 3952, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE
OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 43 PAGE(S) 61 OF MAPS, IN THE OFFICE OF
THE COUNTY RECORDER OF SAID COUNTY.**

**EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES,
LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID PROPERTY, BUT WITH NO
RIGHT OF SURFACE ENTRY, WHERE THEY HAVE BEEN PREVIOUSLY RESERVED IN
INSTRUMENTS OF RECORD.**

ASSESSOR'S PARCEL NUMBER: 2565-021-056





EXHIBIT "A"

PARCEL 1:

LOT 716 OF TRACT NO. 3952, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 43 PAGE(S) 61 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID PROPERTY, BUT WITH NO RIGHT OF SURFACE ENTRY, WHERE THEY HAVE BEEN PREVIOUSLY RESERVED IN INSTRUMENTS OF RECORD.

ASSESSOR'S PARCEL NUMBER: 2565-021-056

PARCEL 2:

A CONDOMINIUM COMPRISED OF:

PARCEL A:

AN UNDIVIDED 1/54TH INTEREST IN AND TO ALL THOSE PORTIONS OF LOTS 5, 6, AND 19, OF TRACT NO. 32930, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1089, PAGES 88 TO 91 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND AS AMENDED BY A CERTIFICATE OF CORRECTION RECORDED JANUARY 8, 1988 AS INSTRUMENT NO. 88-1 6331, OFFICIAL RECORDS OF SAID COUNTY SHOWN AND DEFINED AS COMMON AREA ON THE CONDOMINIUM PLAN RECORDED DECEMBER 23, 1987 AS INSTRUMENT NO. 87-2019618, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THEREFROM UNTO FN PROJECTS, INC., A CORPORATION (FORMERLY KNOWN AS 1ST NATIONWIDE NETWORK MORTGAGE COMPANY), ALL UNEXCEPTED AND UNRESERVED OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, GEOTHERMAL STEAM, AND ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING, THAT MAY BE WITHIN OR UNDER SAID LAND, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFOR AND STORING IN AND REMOVING THE SAME FROM SAID LAND OR FROM ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN SAID LAND, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH AND ACROSS THE SUBSURFACE OF SAID LAND AND TO BOTTOM SUCH WHIPSTOCK OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS OF SAID LAND, AND TO REDRILL, TUNNEL, EQUIP, MAINTAIN, REPAIR, THE RIGHT TO DRILL, MINE, STORE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF SAID LAND OR OTHERWISE IN SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS RESERVED IN A DEED RECORDED SEPTEMBER 9, 1988 AS INSTRUMENT NO. 88-1 437755, OF OFFICIAL RECORDS.

PARCEL B:

ALL THAT PORTION OF LOTS 5, 6 AND 19 OF SAID TRACT NO. 32930 SHOWN AND DEFINED AS UNIT NO. 134, ON SAID CONDOMINIUM PLAN.

PARCEL C:

NONEXCLUSIVE EASEMENT FOR THE BENEFIT OF AND APPURTENANT TO PARCELS 1 AND 2, ABOVE, AS SUCH EASEMENTS ARE SET FORTH IN THE SECTION ENTITLED CERTAIN EASEMENTS FOR OWNERS SUPPORT, SETTLEMENT AND ENCROACHMENT AND DRAINAGE OF THE ARTICLE ENTITLED EASEMENTS OF THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP RECORDED NOVEMBER 17, 1987 AS INSTRUMENT NO. 87-1829814, OF OFFICIAL RECORDS OF SAID COUNTY AND ANY AMENDMENTS THERETO NOW OR HEREAFTER RECORDED, AND ANY SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, NOW OR HEREAFTER RECORDED PURSUANT, THERETO, AND ANY AMENDMENTS TO ANY OF SAID SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, NOW OR HEREAFTER RECORDED (COLLECTIVELY, THE DECLARATION).

ASSESSOR'S PARCEL NUMBER: 2837-034-140

EXHIBIT B

ASSIGNED INSPECTOR: **MARIO CUEVAS**
JOB ADDRESS: **10217 NORTH GLORY AVENUE, LOS ANGELES, CA**
ASSESSORS PARCEL NO. (APN): **2565-021-056**

Date: July 3, 2025

Last Full Title: **08/29/2024**

Last Update to Title:

.....

LIST OF OWNERS AND INTERESTED PARTIES

- 1) ARTHUR BOYADZHYAN AND HILDA KHORANI
10217 GLORY AVENUE
TUJUNGA, CA 91042-2003 CAPACITY: OWNERS

- 2) MEHRAN JAVAHERIAN
203 S. WILLMAN DRIVE
BEVERLY HILLS, CA 90211 CAPACITY: INTERESTED PARTY

Property Detail Report**For Property Located At :****10217 GLORY AVE, TUJUNGA, CA 91042-2003**

RealQuest

Owner Information

Owner Name: **BOYADZHYAN ARTHUR/KHORANI HILDA**
 Mailing Address: **10217 GLORY AVE, TUJUNGA CA 91042-2003 C013**
 Vesting Codes: **//**

Location Information

Legal Description:	TRACT NO 3952 LOT 716	APN:	2565-021-056
County:	LOS ANGELES, CA	Alternate APN:	
Census Tract / Block:	1012.20 / 1	Subdivision:	3952
Township-Range-Sect:		Map Reference:	11-A3 /
Legal Book/Page:	43-61	Tract #:	3952
Legal Lot:	716	School District:	LOS ANGELES
Legal Block:		School District Name:	LOS ANGELES
Market Area:	659	Munic/Township:	LOS ANGELES
Neighbor Code:			

Owner Transfer Information

Recording/Sale Date:	05/26/2022 / 05/12/2022	Deed Type:	GRANT DEED
Sale Price:		1st Mtg Document #:	
Document #:	565965		

Last Market Sale Information

Recording/Sale Date:	04/29/1975 /	1st Mtg Amount/Type:	\$21,700 / CONV
Sale Price:	\$23,000	1st Mtg Int. Rate/Type:	/
Sale Type:	FULL	1st Mtg Document #:	
Document #:		2nd Mtg Amount/Type:	/
Deed Type:	DEED (REG)	2nd Mtg Int. Rate/Type:	/
Transfer Document #:		Price Per SqFt:	\$22.33
New Construction:		Multi/Split Sale:	
Title Company:			
Lender:			
Seller Name:			

Prior Sale Information

Prior Rec/Sale Date:	09/30/1974 /	Prior Lender:	
Prior Sale Price:	\$14,000	Prior 1st Mtg Amt/Type:	/
Prior Doc Number:		Prior 1st Mtg Rate/Type:	/
Prior Deed Type:	DEED (REG)		

Property Characteristics

Gross Area:		Parking Type:	PARKING AVAIL	Construction:	
Living Area:	1,030	Garage Area:		Heat Type:	HEATED
Tot Adj Area:		Garage Capacity:		Exterior wall:	SHINGLE SIDING
Above Grade:		Parking Spaces:	2	Porch Type:	
Total Rooms:	5	Basement Area:		Patio Type:	
Bedrooms:	2	Finish Bsmnt Area:		Pool:	
Bath(F/H):	1 /	Basement Type:		Air Cond:	
Year Built / Eff:	1922 / 1937	Roof Type:		Style:	CONVENTIONAL
Fireplace:	/	Foundation:	RAISED	Quality:	
# of Stories:	1	Roof Material:	COMPOSITION SHINGLE	Condition:	

Other Improvements: **FENCE**

Site Information

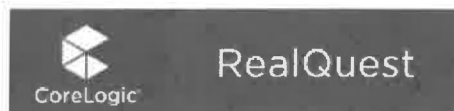
Zoning:	LAR1	Acres:	0.11	County Use:	SINGLE FAMILY RESID (0100)
Lot Area:	4,645	Lot Width/Depth:	40 x 116	State Use:	
Land Use:	SFR	Res/Comm Units:	1 /	Water Type:	
Site Influence:				Sewer Type:	

Tax Information

Total Value:	\$464,797	Assessed Year:	2023	Property Tax:	\$5,680.95
Land Value:	\$371,838	Improved %:	20%	Tax Area:	13
Improvement Value:	\$92,959	Tax Year:	2023	Tax Exemption:	HOMEOWNER
Total Taxable Value:	\$457,797				

Comparable Sales Report

For Property Located At

**10217 GLORY AVE, TUJUNGA, CA 91042-2003****6 Comparable(s) Selected.**

Report Date: 09/06/2024

Summary Statistics:

	Subject	Low	High	Average
Sale Price	\$23,000	\$627,000	\$1,100,000	\$771,167
Bldg/Living Area	1,030	937	1,164	1,018
Price/Sqft	\$22.33	\$669.16	\$945.02	\$751.09
Year Built	1922	1923	1950	1937
Lot Area	4,645	5,850	13,220	7,524
Bedrooms	2	2	3	2
Bathrooms/Restrooms	1	1	1	1
Stories	1.00	1.00	1.00	1.00
Total Value	\$464,797	\$42,816	\$705,000	\$350,956
Distance From Subject	0.00	0.03	0.49	0.30

* = user supplied for search only

Comp #1

Distance From Subject: 0.03 (miles)

Address: **10220 MARCUS AVE, TUJUNGA, CA 91042-2008**Owner Name: **ESTRELLA LUIS C/RIVERA FANNY**Seller Name: **ASLANIAN ARTIN**APN: **2565-021-031**Map Reference: **11-A3 /**Living Area: **965**County: **LOS ANGELES, CA**Census Tract: **1012.20**Total Rooms: **4**Subdivision: **3952**Zoning: **LAR1**Bedrooms: **2**Rec Date: **04/26/2024**Prior Rec Date: **09/07/2001**Bath(F/H): **1 /**Sale Date: **04/24/2024**Prior Sale Date: **08/09/2001**Yr Built/Eff: **1950 / 1950**Sale Price: **\$670,000**Prior Sale Price: **\$209,000**Air Cond: **WALL**Sale Type: **FULL**Prior Sale Type: **FULL**Style: **CONVENTIONAL**Document #: **274717**Acres: **0.14**Fireplace: **/**1st Mtg Amt: **\$636,500**Lot Area: **5,998**Pool: Total Value: **\$303,841**# of Stories: **1**Roof Mat: **GRAVEL & ROCK**Land Use: **SFR**Park Area/Cap#: **/**Parking: **PARKING AVAIL**

Comp #:2 Distance From Subject:0.15 (miles)
 Address: 6954 BECKETT ST, TUJUNGA, CA 91042-2037
 Owner Name: NAZARIAN SARA
 Seller Name: RUAH PROPERTIES LLC
 APN: 2565-019-011 Map Reference: 11-A3 / Living Area: 1,008
 County: LOS ANGELES, CA Census Tract: 1012.20 Total Rooms: 4
 Subdivision: 3681 Zoning: LAR1 Bedrooms: 2
 Rec Date: 02/22/2024 Prior Rec Date: 12/15/2023 Bath(F/H): 1 /
 Sale Date: 02/20/2024 Prior Sale Date: 10/11/2023 Yr Built/Eff: 1923 / 1924
 Sale Price: \$770,000 Prior Sale Price: \$585,000 Air Cond:
 Sale Type: FULL Prior Sale Type: FULL Style: CONVENTIONAL
 Document #: 116143 Acres: 0.14 Fireplace: /
 1st Mtg Amt: \$731,500 Lot Area: 6,227 Pool:
 Total Value: \$218,470 # of Stories: 1 Roof Mat: COMPOSITION
 SHINGLE
 Land Use: SFR Park Area/Cap#: / Parking: DETACHED
 GARAGE

Comp #:3 Distance From Subject:0.30 (miles)
 Address: 7020 ELMO ST, TUJUNGA, CA 91042-2424
 Owner Name: SAVARANI GARINEH T
 Seller Name: KRIKORIAN VAHIK
 APN: 2568-004-018 Map Reference: 11-A4 / Living Area: 1,164
 County: LOS ANGELES, CA Census Tract: 1012.20 Total Rooms: 5
 Subdivision: 3532 Zoning: LARD3 Bedrooms: 2
 Rec Date: 04/25/2024 Prior Rec Date: 12/04/2017 Bath(F/H): 1 /
 Sale Date: 04/10/2024 Prior Sale Date: 11/17/2017 Yr Built/Eff: 1929 / 1929
 Sale Price: \$1,100,000 Prior Sale Price: \$580,000 Air Cond:
 Sale Type: FULL Prior Sale Type: FULL Style: CONVENTIONAL
 Document #: 271315 Acres: 0.30 Fireplace: Y / 1
 1st Mtg Amt: \$1,045,000 Lot Area: 13,220 Pool:
 Total Value: \$634,311 # of Stories: 1 Roof Mat: COMPOSITION
 SHINGLE
 Land Use: SFR Park Area/Cap#: / Parking:

Comp #:4 Distance From Subject:0.36 (miles)
 Address: 10090 TUJUNGA CANYON BLVD, TUJUNGA, CA 91042-2062
 Owner Name: JUNG TAE J/CHOI HOCHUL
 Seller Name: KIM HYUNSOOK LIVING TRUST
 APN: 2568-005-003 Map Reference: 11-A4 / Living Area: 937
 County: LOS ANGELES, CA Census Tract: 1012.20 Total Rooms: 5
 Subdivision: LOS TERRENITOS TR Zoning: LARD3 Bedrooms: 2
 Rec Date: 03/21/2024 Prior Rec Date: 12/08/2000 Bath(F/H): 1 /
 Sale Date: 02/29/2024 Prior Sale Date: 11/29/2000 Yr Built/Eff: 1948 / 1948
 Sale Price: \$627,000 Prior Sale Price: \$139,000 Air Cond:
 Sale Type: FULL Prior Sale Type: FULL Style: CONVENTIONAL
 Document #: 185548 Acres: 0.13 Fireplace: /
 1st Mtg Amt: \$470,250 Lot Area: 5,850 Pool:
 Total Value: \$201,295 # of Stories: 1 Roof Mat: WOOD SHAKE
 Land Use: SFR Park Area/Cap#: / Parking: DETACHED
 GARAGE

Comp #:5 Distance From Subject:0.48 (miles)
 Address: 7127 SUMMITROSE ST, TUJUNGA, CA 91042-1927
 Owner Name: JAROBILLA CHRISTINA/ALAJOR JULIAN R O
 Seller Name: WARNER MICHAEL W
 APN: 2566-003-022 Map Reference: 11-A2 / Living Area: 1,009
 County: LOS ANGELES, CA Census Tract: 1011.10 Total Rooms: 5

Subdivision:	LOS TERRENITOS TR	Zoning:	LAR1	Bedrooms:	3
Rec Date:	07/15/2024	Prior Rec Date:	04/03/1997	Bath(F/H):	1 /
Sale Date:	06/10/2024	Prior Sale Date:		Yr Built/Eff:	1944 / 1945
Sale Price:	\$760,000	Prior Sale Price:		Air Cond:	
Sale Type:	FULL	Prior Sale Type:		Style:	CONVENTIONAL
Document #:	462528	Acres:	0.15	Fireplace:	/
1st Mtg Amt:	\$608,000	Lot Area:	6,365	Pool:	
Total Value:	\$705,000	# of Stories:	1	Roof Mat:	COMPOSITION SHINGLE
Land Use:	SFR	Park Area/Cap#:	/	Parking:	PARKING AVAIL

Comp #:6	Distance From Subject:0.49 (miles)				
Address:	6552 OLCOTT ST, TUJUNGA, CA 91042-2873				
Owner Name:	MHERYAN MATEVOS				
Seller Name:	FITZGERALD MARIANN C TRUST				
APN:	2570-016-034	Map Reference:	11-B4 /	Living Area:	1,028
County:	LOS ANGELES, CA	Census Tract:	1013.00	Total Rooms:	5
Subdivision:	4050	Zoning:	LAR1	Bedrooms:	2
Rec Date:	06/06/2024	Prior Rec Date:		Bath(F/H):	1 /
Sale Date:	05/08/2024	Prior Sale Date:		Yr Built/Eff:	1929 / 1932
Sale Price:	\$700,000	Prior Sale Price:		Air Cond:	
Sale Type:	FULL	Prior Sale Type:		Style:	CONVENTIONAL
Document #:	370436	Acres:	0.17	Fireplace:	Y / 1
1st Mtg Amt:	\$525,000	Lot Area:	7,484	Pool:	
Total Value:	\$42,816	# of Stories:	1	Roof Mat:	ROLL COMPOSITION
Land Use:	SFR	Park Area/Cap#:	/	Parking:	

EXHIBIT D

ASSIGNED INSPECTOR: **MARIO CUEVAS**

Date: July 3, 2025

JOB ADDRESS: **10217 NORTH GLORY AVENUE, LOS ANGELES, CA**

ASSESSORS PARCEL NO. (APN): **2565-021-056**

CASE NO.: **976957**

ORDER NO.: **A-5890527**

EFFECTIVE DATE OF ORDER TO COMPLY: **January 18, 2023**

COMPLIANCE EXPECTED DATE: **February 17, 2023**

DATE COMPLIANCE OBTAINED: **No Compliance to Date**

LIST OF IDENTIFIED CODE VIOLATIONS **(ORDER TO COMPLY)**

VIOLATIONS:

SEE ATTACHED ORDER # A-5890527

BOARD OF
BUILDING AND SAFETY
COMMISSIONERS

JAVIER NUNEZ
PRESIDENT

ELVIN W. MOON
VICE-PRESIDENT

JOSELYN GEAGA-ROSENTHAL
LAUREL GILLETTE
GEORGE HOVAGUIMIAN

CITY OF LOS ANGELES
CALIFORNIA



KAREN BASS
MAYOR

DEPARTMENT OF
BUILDING AND SAFETY
201 NORTH FIGUEROA STREET
LOS ANGELES, CA 90012

OSAMA YOUNAN, P.E.
GENERAL MANAGER
SUPERINTENDENT OF BUILDING

JOHN WEIGHT
EXECUTIVE OFFICER

SUBSTANDARD ORDER AND NOTICE OF FEE

BOYADZHYAN, ARTHUR AND KHORANI, HILDA
10217 GLORY AVE
TJUNGA, CA 91042

The undersigned mailed this notice
by regular mail, postage prepaid
to the addressee on this day.

CASE #: 976957

ORDER #: A-5890527

EFFECTIVE DATE: January 18, 2023

COMPLIANCE DATE: February 17, 2023

JAN 20 2023

To the address as shown on the
last equalized assessment roll
Initiated by *[Signature]*

OWNER OF
SITE ADDRESS: 10217 N GLORY AVE
ASSESSORS PARCEL NO.: 2565-021-056
ZONE: R1; One-Family Zone

An inspection has revealed that the property (Site Address) listed above is in violation of the Los Angeles Municipal Code (L.A.M.C.) sections listed below. You are hereby ordered to correct the violation(s) and contact the inspector listed in the signature block at the end of this document for a compliance inspection by the compliance date listed above.

FURTHER, THE CODE VIOLATION INSPECTION FEE (C.V.I.F.) OF \$ 356.16 (\$336 fee plus a six percent Systems Development Surcharge of \$20.16) WILL BE BILLED TO THE PROPERTY OWNER. The invoice/notice will be sent to the owner as it appears on the last equalized assessment roll. Section 98.0421 L.A.M.C.

NOTE: FAILURE TO PAY THE C.V.I.F. WITHIN 30 DAYS OF THE INVOICE DATE OF THE BILL NOTED ABOVE WILL RESULT IN A LATE CHARGE OF TWO (2) TIMES THE C.V.I.F. PLUS A 50 PERCENT COLLECTION FEE FOR A TOTAL OF \$1,176.00. Any person who fails to pay the fee, late charge and collection fee, shall also pay interest. Interest shall be calculated at the rate of one percent per month.

The inspection has revealed that the property is in violation of the Los Angeles Municipal Code as follows:

As a result of an inspection of the property (Site Address) listed above, this office has determined the building(s) to be SUBSTANDARD as pursuant to the provisions of Division 89 of Article 1 of Chapter IX of the Los Angeles Municipal Code (L.A.M.C.). You are therefore ordered to secure all required permits and begin the necessary work to eliminate the following code violations within 30 days from the effective date of this order. All necessary work shall be completed within 90 days from the effective date of this order. If the necessary permits are not obtained or the required work is not physically commenced within 45 days from the effective date of this order, the Department of Building and Safety may order the owner to cause the building(s) to be vacated.

VIOLATION(S):

1. Stop All Work posted on 01/18/23 @12:15pm. Construction work is being performed without the required permits.

You are therefore ordered to:

- 1) Stop all work being performed without the required permit(s).
- 2) Obtain all required permits and approvals prior to commencing any work.

Code Section(s) in Violation: 91.104.2.4, 91.106.1.1, 93.0310.(a), 94.102.2.2 and 95.106.4 of the L.A.M.C.

Location: Entire property

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.



CODE ENFORCEMENT BUREAU
For routine City business and non-emergency services: Call 3-1-1
www.ladbs.org

2. The building or premises is Substandard due to hazardous electrical wiring.

You are therefore ordered to: Obtain required permits and make the electrical wiring comply with all provisions of the L.A.M.C.

Code Section(s) in Violation: 91.8902.4, 91.8902, 91.103.1, 12.21A.1.(a) of the L.A.M.C.

Location: Single family dwelling

3. The building or premises is Substandard due to deteriorated or defective walls or vertical supports.

You are therefore ordered to: Repair or replace deteriorated or defective walls or vertical supports.

Code Section(s) in Violation: 91.8902.14, 91.8902.2 #4, 91.5R602, 91.5R602.1.1, 91.5R602.2, 91.5R602.3, 91.103.1, 91.5R103.1, 12.21A.1(a) of the L.A.M.C.

Location: Single family dwelling

4. The complete remodel/ demolition started on the single family dwelling is constructed without the required permits and approvals.

You are therefore ordered to: 1) Demolish and remove all construction work performed without the required permit(s).
2) Restore the existing structure(s) to its originally approved condition, OR 3) Submit plans, obtain the required permits and expose the work for proper inspections.

Code Section(s) in Violation: 91.8105, 91.106.1.1, 91.106.1.2, 91.108.4, 91.106.3.2, 91.103.1, 91.5R106.1.1, 91.5R106.1.2, 91.5R108.4, 91.5R106.3.2, 91.5R103.1, 12.21A.1.(a) of the L.A.M.C.

Location: Single family dwelling

Comments: Obtain permit(s) for the complete scope of work, including but not limited to: Building, Plumbing, Electrical and HVAC without the benefit of permit(s) or approvals.

5. Electrical service panel is a hazard to the weather elements due to the unapproved demolition of the single family dwelling.

You are therefore ordered to: Obtain all required electrical permits and approvals.

Code Section(s) in Violation: 93.0201, 93.0104, 91.103.1 12.21A.1.(a) of the L.A.M.C.

Location: North side of the single family dwelling

6. Rubbish, garbage, trash and debris on the premises.

You are therefore ordered to: 1) Remove the rubbish, garbage, trash and debris from the premises.
2) Maintain the premises in a clean and sanitary condition.

Code Section(s) in Violation: 91.8104, 91.8104.2, 91.103.1, 12.21A.1.(a) of the L.A.M.C.

Location: Entire property

7. The owner or person in control has permitted nuisance conditions to exist on the parcel or in and around any building or structure located on the parcel.

You are therefore ordered to: Abate all nuisance conditions.

Code Section(s) in Violation: 91.8904.1, 91.103.1, 12.21A.1.(a) of the L.A.M.C.

Location: Entire property

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CODE ENFORCEMENT BUREAU
For routine City business and non-emergency services: Call 3-1-1
www.ladbs.org

NOTE: A certificate has been filed with the County Recorder noting the above substandard condition.

NON-COMPLIANCE FEE WARNING:

YOU ARE IN VIOLATION OF THE L.A.M.C. IT IS YOUR RESPONSIBILITY TO CORRECT THE VIOLATION(S) AND CONTACT THE INSPECTOR LISTED BELOW TO ARRANGE FOR A COMPLIANCE INSPECTION BEFORE THE NON-COMPLIANCE FEE IS IMPOSED. Failure to correct the violations and arrange for the compliance inspection within 15 days from the Compliance Date, will result in imposition of the fee noted below.

In addition to the C.V.I.F. noted above, a proposed noncompliance fee in the amount of **\$660.00** may be imposed for failure to comply with the order within 15 days after the compliance date specified in the order or unless an appeal or request for slight modification is filed within 15 days of the compliance date.

If an appeal or request for slight modification is not filed within 15 days of the compliance date or extensions granted therefrom, the determination of the department to impose and collect a non-compliance fee shall be final. Section 98.0411 L.A.M.C.

NOTE: FAILURE TO PAY THE NON-COMPLIANCE FEE WITHIN 30 DAYS AFTER THE DATE OF MAILING THE INVOICE, MAY RESULT IN A LATE CHARGE OF TWO (2) TIMES THE NON-COMPLIANCE FEE PLUS A 50 PERCENT COLLECTION FEE FOR A TOTAL OF **\$2,310.00**.

Any person who fails to pay the non-compliance fee, late charge and collection fee shall also pay interest. Interest shall be calculated at the rate of one percent per month.

PENALTY WARNING:

Any person who violates or causes or permits another person to violate any provision of the Los Angeles Municipal Code (L.A.M.C.) is guilty of a misdemeanor which is punishable by a fine of not more than \$1000.00 and/or six (6) months imprisonment for each violation. Section 11.00 (m) L.A.M.C.

INVESTIGATION FEE REQUIRED:

Whenever any work has been commenced without authorization by a permit or application for inspection, and which violates provisions of Articles 1 through 8 of Chapter IX of the Los Angeles Municipal Code (L.A.M.C.), and if no order has been issued by the department or a court of law requiring said work to proceed, a special investigation fee which shall be double the amount charged for an application for inspection, license or permit fee, but not less than \$400.00, shall be collected on each permit, license or application for inspection. Section 98.0402 (a) L.A.M.C.

APPEAL PROCEDURES:

There is an appeal procedure established in this city whereby the Department of Building and Safety and the Board of Building and Safety Commissioners have the authority to hear and determine error or abuse of discretion, or requests for slight modification of the requirements contained in this order when appropriate fees have been paid. Section 98.0403.1 and 98.0403.2 L.A.M.C.

NOTICE:

Relocation assistance may be required if a tenant is evicted in order to comply with an order from a governmental agency. (LAMC 151.09.A.11 & 163.00 to 163.07) For information, call the Los Angeles Housing Department (LAHD) at (213) 808-8888 or go to: <http://lahd.lacity.org>

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.



CODE ENFORCEMENT BUREAU

For routine City business and non-emergency services: Call 3-1-1

www.ladbs.org

Any questions regarding invoices or how to pay fees should be directed to financial services at (213) 482-6890.
Any questions regarding the order to comply and compliance matters contact the inspector noted below at (818)374-9861.
Office hours are 7:00 a.m. to 3:30 p.m. Monday through Thursday.

Inspector: _____

Date: January 18, 2023

JASON BRANNON
14410 SYLVAN STREET SUITE 105
VAN NUYS, CA 91401
(818)374-9861
jason.brannon@lacity.org


REVIEWED BY

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CODE ENFORCEMENT BUREAU
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www.ladbs.org