

MODIFICATION AGREEMENT

This Modification Agreement (this “Agreement”) is effective as of October 31, 2023, and is by and between Balboa, LLC, a California limited liability company (“Lender”), and Blue Oak Farms LLC, a California limited liability company (“Borrower”), the owner of the real property known as 1756 Ogulin Canyon Road, Clearlake, California 95422 (the “Property”).

RECITALS

A. Lender made a loan to Borrower in the original principal amount of Six Hundred Fifty Thousand and 00/100 Dollars (\$650,000.00), which is evidenced by a note (the “Note”) dated August 5, 2022. The Note is secured by a deed of trust dated August 5, 2022, and recorded on August 12, 2022, and recorded in first priority position in the Official Records of the County of Lake, State of California as Instrument Number 2022010969 (the “Security Instrument”). The Maturity Date of the Note is September 1, 2025 (the “Maturity Date”); and the unpaid principal balance and accrued interest are due and payable to Lender on such date.

B. The Note, and Security Instrument are referred to collectively herein as the “Loan.” The Note Security Instrument, this Agreement, and all other loan documents signed in connection with the Loan, together with any and all additions, rearrangements, extensions, renewals, substitutions, replacements, and amendments thereto are collectively referred to herein as the “Loan Documents.”

C. Borrower now requests, and Lender agrees to the release of Kim Gardner as Guarantor, the transfer of membership interests and management of Borrower from Kim Gardner to Kenneth Pacheco, and the deferral of the November 1, 2023 and December 1, 2023 monthly interest payments, subject to the terms provided herein. Accordingly, Borrower and Lender have agreed to modify the Loan as set forth below.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender agree as follows:

1. **Reaffirmation of Obligations.** Borrower promises to pay the indebtedness evidenced by the Note, as hereby amended and to perform each and every condition and covenant required to be performed by Borrower pursuant to the Loan Documents. Borrower further represents and warrants that it has no defenses or claims against Lender that would or might affect the enforceability of the Loan or the Loan Documents, and that the Loan and all Loan Documents executed in connection therewith remain in full force and effect, unless specifically modified herein.

2. **Affirmation of Unpaid Principal Balance.** Borrower understands, acknowledges, and agrees that as of October 31, 2023, the unpaid principal balance of the Loan is Six Hundred Fifty Thousand and 00/100 Dollars (\$650,000.00) (“Unpaid Principal Balance”), exclusive of accrued and unpaid interest, late charges, attorneys’ fees and costs, and other fees and costs pursuant to the terms of the Loan.

3. **Affirmation of Balances.**

3.1 **Affirmation of Debt Service Reserve Balance.** Borrower understands, acknowledges and agrees that, as of October 31, 2023, the outstanding Debt Service Reserve balance is No and 00/100 Dollars (\$0.00) (“Debt Service Reserve Balance”), exclusive of accrued and unpaid interest, late charges, attorneys’ fees and costs, and other fees and costs pursuant to the terms of the Loan.

4. **Affirmation of Business Purpose of Loan.** Borrower represents and warrants to Lender that the proceeds of the Note have been and will continue to be used solely for business, commercial investment,

or similar purposes, and that no portion of it will be used for personal, family, or household purposes. Further, if any additional proceeds shall be distributed to Borrower through this Agreement, the proceeds shall be used solely for business or commercial purposes.

BORROWER'S INITIALS: _____

5. **Fees.** As consideration for Lender's modification of the Loan, Borrower agrees to pay the following fees, in addition to the fees and costs identified in Section 7.1 of this Agreement:

Fee	Fee Amount	Paid To:	When Paid
Legal Fee	\$4,500.00	Geraci LLP	Paid Outside of Closing

6. **Modifications to Loan.** The Loan is hereby modified as follows:

6.1 **Deferral of Monthly Payments.** The monthly interest payments due on November 1, 2023 and December 1, 2023 in the combined amount of Six Thousand Four Hundred Thirty-Six and 81/100 Dollars (\$6,436.81) ("Deferred Interest") shall be deferred until the earliest of the following occurrences: (I) the Maturity Date of the Loan; (II) the release of the Property; or (III) an Event of Default pursuant to the Note or Security Instrument occurs. Pursuant to Section 7 of the Note, the amount of the deferred monthly interest payment shall be added to the principal balance of the Loan and shall bear interest at the rate of interest set forth in the Note. All monthly interest payments thereafter beginning on January 1, 2024 shall be due and payable in accordance with Section 6.3 of this Agreement.

The new principal balance of the Loan shall be Six Hundred Fifty-Six Thousand Four Hundred Thirty-Six and 81/100 Dollars (\$656,436.81) ("New Principal Balance"). The New Principal Balance is comprised of the Unpaid Principal Balance (\$650,000.00), plus the Deferred Interest (\$6,436.81).

6.2 **New Monthly Interest Payments.** Interest only payments on the New Principal Balance shall be due and payable in consecutive monthly installments of Six Thousand Two Hundred Ninety and 85/100 Dollars (\$6,290.85) on the first day of each month beginning on January 1, 2024. Such payments shall continue until the entire indebtedness evidenced by the Note, and Security Agreement and all accrued and unpaid interest and fees are fully paid, with any unpaid principal and interest due and payable on the Maturity Date.

6.3 **Interim Month Interest.** Interest accruing during the month of October 2023, commencing with the date this Agreement is executed due on November 1, 2023 shall be deferred and prorated based on the New Principal Balance. As such, interest shall accrue at a rate of Eleven and 50/100 Percent (11.5%) (\$209.70/day) on the New Principal Balance from the date this Agreement is executed through October 31, 2023.

6.4 **Limitation on Unpaid Interest.** All unpaid interest, late fees, and other charges (the "Unpaid Charges") which may have accrued prior to the execution of this Agreement shall no longer be considered a part of the indebtedness secured and evidenced by the Note, Security Agreement, or any other Loan Documents. All such Unpaid Charges were assigned to and assumed by Kim Gardner in the transaction evidencing her sale of the membership interests of Borrower to Kenneth Pacheco. These Unpaid Charges shall not be considered forgiven but are instead owed by a party other than Borrower; Kim Gardner.

6.5 **New Balloon Payment.** The Balloon Payment will be adjusted in accordance with the modifications described herein.

6.6 **Release of Guarantor.** Kim Gardner ("Original Guarantor") is hereby released from all of its obligations under that certain Guaranty dated August 5, 2022.

6.7 **New Member.** Kim Gardner has transferred all membership interest in Borrower to Kenneth Pacheco pursuant to the Business Purchase and Sale Agreement among other documents, each dated on or around September 28, 2023. Kenneth Pacheco shall assume all obligations under the Loan Documents as member of Borrower.

7. **Conditions Precedent.** The following are conditions precedent to the effectiveness of this Agreement:

7.1 **Fees & Costs of Loan Modification.** Borrower has agreed to pay the fees and costs associated with this Agreement, including, but not limited to, any required endorsements to Lender's Policy of Title Insurance; the recording fees charged by the County where the Property is located; notary fees; all escrow fees inclusive of messenger and handling fees; all title fees; all outstanding property taxes; modification fees payable to Lender or a third party; and the legal costs associated with drafting this Agreement.

7.2 **Payment of Property Taxes.** Borrower shall deliver to Lender written documentation confirming that the property taxes are current and that there are no outstanding property taxes due or owing. Borrower covenants and agrees to pay any and all future installments of property taxes on or before the due date thereof.

7.3 **Evidence of Insurance.** Borrower must deliver to Lender, or to Lender's agent, a copy of the hazard insurance policy on the Property that names Lender as a mortgagee, the form and substance of which shall be satisfactory to Lender. The amount of the hazard insurance coverage shall not be less than the replacement value of the improvements on the Property.

7.4 **Compliance with Loan.** The Borrower is current and no event of default has occurred under the Note, the Security Instrument, or other Loan Documents other than with respect to the Maturity Date.

7.5 **No Further Liens Recorded.** There have been no further encumbrances or liens recorded against the Property, including but not limited to, mechanic's liens. Unless otherwise expressly waived by Lender in writing, Borrower shall provide Lender with copies of lien releases and evidence of payment to any person or entity that provided services or labor for any construction related work at the Property.

7.6 **New Guaranty.** A Guaranty shall be signed by new Guarantor, Kenneth Pacheco, and the original fully executed Guaranty shall be delivered to Lender.

8. **Confirmation of Property and Security Instrument.** Borrower hereby acknowledges, agrees, and confirms that all obligations of Borrower to Lender under the Note are secured by a perfected first priority security interest in the Property. Borrower further acknowledges, agrees and confirms that Borrower's obligations to Lender under the Note are secured by the Security Instrument.

BORROWER'S INITIALS: _____

9. **Other Provisions in Full Force.** Except as specifically provided herein, the Note, the Security Instrument and all other Loan Documents shall remain in full force and effect in accordance with their original terms and conditions, including, without limitation, those provisions providing for the acceleration of the indebtedness evidenced by the Note.

10. **Release of Lender.** As additional consideration for the modifications described above, Borrower, on Borrower's own behalf and on behalf of Borrower's respective representatives, beneficiaries, agents, attorneys, heirs, relatives, administrators, partners and anyone acting at Borrower's direction or on Borrower's behalf, does hereby relieve, release, discharge and forever hold harmless Lender and its respective past and present owners, officers, directors, shareholders, investors, representatives, beneficiaries, joint venturers, partners, employees, former employees, managers, accountants, agents, servants, attorneys, benefit plans, insurers, transferees, predecessors in interest, successors, assigns, parent companies, divisions, affiliates and subsidiaries (and owners, stockholders, predecessors, successors, assigns agents, directors, officers, employees, representatives, attorneys, benefit plans and insurers of such parent companies, divisions, subsidiaries and affiliates), and each of them individually and in their official capacities, and all persons acting by, through, under or in concert with any of them from any and all liability, demands, causes of action, accountings or claims of any nature arising out of the advertising, negotiation, disclosure, underwriting, processing, making,

settlement, servicing or any other aspects of the relationship between the parties concerning the Loan and the Loan Documents, known or unknown, suspected or unsuspected, arising since the Loan was applied for to the present, including claims under all applicable state and federal statutory, regulatory or case law, but excluding obligations created in this Agreement and the on-going obligations under the Loan. Borrower acknowledges that such release includes a waiver of the right to make claims based upon the discovery of new facts and circumstances, and waives the application of any state or federal laws providing for relief from general releases.

Borrower hereby waives any provisions of state or federal law which explicitly or implicitly would prevent the application of this Agreement to claims which Borrower does not know or suspect to exist in its favor any time on or prior to the date of executing this Agreement which, if known by Borrower, would have materially affected Borrower's decision to execute this Agreement. Borrower expressly waives all rights afforded by any statute with respect to unknown claims, including, but not limited to, Section 1542 of the California Civil Code which limits the effect of a release with respect to unknown claims. Borrower understands the significance of the release of unknown claims and the waiver of statutory protection against a release of unknown claims (such as under Section 1542). Section 1542 of the California Civil Code reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH AND THAT IF KNOWN BY HIM OR HER, MUST WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the above-stated provisions of Section 1542 and for purposes of implementing a full and complete release and discharge, Borrower expressly acknowledges that this Agreement is specifically intended to include in its effect, without limitation, all claims that Borrower has but does not or may not know or suspect to exist in its favor at any time on or prior to the date of execution of this Agreement, and that this Agreement extinguishes any and all such claim(s) and Borrower indicates that fact by signing its initials here:

BORROWER'S INITIALS: _____

11. **Binding Effect.** This Agreement shall bind and benefit the heirs, successors, and assigns of Borrower and Lender, respectively.
12. **Modification Only In Writing.** Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated, except by a subsequently executed instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.
13. **Construction/Severability.** If any provision of this Agreement shall be determined to be invalid, void or illegal, such provision shall be construed and amended in a manner which would permit its enforcement but in no event shall such provision effect, impair or invalidate any other provision hereof.
14. **Counterparts.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original. This Agreement shall be deemed fully executed and effective when all parties have executed at least one of the counterparts, even though no single counterpart bears all such signatures.
15. **Advice of Counsel.** The parties hereby represent that they have been advised of the effect of this Agreement by their own attorneys, or that they have had the opportunity to consult with an attorney of their choosing, have investigated the facts and are not relying upon any representation or acknowledgment, whether oral or in writing, of any other party hereto except as contained herein. Further, the parties expressly waive any right to rescind this Agreement.

16. **Further Assurances.** The parties hereto agree to perform such acts and to prepare, execute, and record any documents or stipulations reasonably required to perform the covenants, to satisfy the conditions herein contained, or to give full force and effect to this Agreement.

17. **Successor and Third Parties.** Each covenant set forth in this Agreement shall inure to the benefit of and be binding upon the parties and each of their respective owners, heirs, successors, shareholders, officers, directors, assigns, attorneys, agents, employees, employers, representatives (past and present).

18. **Meaning of Pronouns and Effect of Captions.** As used in this Agreement, the masculine, feminine and/or neuter gender, in the singular or plural, shall be deemed to include the others whenever the text so requires. Captions and paragraph headings are inserted solely for convenience and shall not be deemed to restrict or limit the meaning of text.

19. **No Waiver.** No failure to exercise and no delay in exercising any right, power, or remedy hereunder shall impair any right, power or remedy which Lender may have, nor shall any such delay be construed to be a waiver of any such right, power, or remedy, or any acquiescence in any breach or default hereunder; nor shall any waiver of any breach or default of any party hereunder be deemed a waiver of any default or breach subsequently occurring. All rights and remedies granted to Lender hereunder shall remain in full force and effect notwithstanding any single or partial exercise of, or any discontinuance of, any action begun to enforce any such right or remedy. The rights and remedies specified herein are cumulative and not exclusive of each other or of any rights or remedies which Lender would otherwise have. Any waiver, permit, consent or approval by Lender of any breach or default hereunder must be in writing and shall be effective only to the extent set forth in such writing signed by the party to be charged and only as to that specific instance.

20. **Non-Exclusive Remedies.** In the event of a breach of any provision of this Agreement, the parties, in addition to and not in lieu of the remedies expressly provided in this Agreement, shall be entitled to exercise such remedies that exist at law or equity to enforce this Agreement, including but not limited to seeking specific performance.

21. **Voluntary Agreement.** This Agreement was freely and voluntarily entered into by the parties who each had the opportunity to be represented and advised by counsel with respect to entering into this Agreement.

22. **Time Is Of The Essence.** As to all obligations hereunder, time is of the essence.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective on the day and year set forth above.

IT IS SO AGREED.

BORROWER:

BLUE OAK FARMS LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

By: _____
Kenneth Pacheco, Manager

**ACKNOWLEDGED AND CONSENTED AS TO THE MODIFICATIONS BEING MADE
UNDER THIS AGREEMENT**

KIM GARDNER

Kim Gardner, an individual

LENDER:

BALBOA, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

By: _____

Name: _____

Title: _____

GUARANTY

THIS GUARANTY (“Guaranty”) is entered into and effective as of October 31, 2023, and is by and among Kenneth Pacheco, whose address for purposes of this Guaranty is 2150 Westbury Drive, Stroudsburg, Pennsylvania 18360 (“Guarantor”); and Balboa, LLC, a California limited liability company (“Lender”), whose address for purposes of this Guaranty is 2629 Townsgate Road, Suite 100, Westlake Village, California 91361, and is delivered to and in favor of Lender, its successors and assigns.

To induce Lender to modify the Loan to Blue Oak Farms LLC, a California limited liability company (“Borrower”), which Guarantor acknowledges that Lender would not do without this Guaranty, and for other valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guarantor agrees as follows:

1. Guaranty.

1.1 Guaranty of Obligations. Guarantor guarantees to Lender, its successors, and assigns the full and faithful payment of all amounts owed and performance of each and every one of the obligations, responsibilities, and undertakings to be carried out, performed, or observed by Borrower under the Loan Agreement, the Note, the Security Agreement, any other agreement that now or later secures repayment of the Note, any other agreement that Guarantor now or later states is guaranteed, and any other agreement that Guarantor or Borrower signs in connection with the Loan obtained by Borrower. All these documents are collectively referred to as the “Loan Documents,” which Loan Documents evidence the “Loan.” The obligations guaranteed are referred to as the “Guaranteed Obligations.”

1.2 Guaranty of Borrower’s Performance. If at any time Borrower, or its successors or permitted assigns, fails, neglects or refuses to pay when due amounts or perform when due any of its obligations, responsibilities, or undertakings as expressly provided under the terms and conditions of the Loan Documents, Guarantor shall pay such amounts or perform or cause to be performed such obligations, responsibilities, or undertakings as required under the terms and conditions of the Loan Documents.

2. Absolute. This Guaranty is irrevocable, absolute, present, and unconditional. The obligations of Guarantor under this Guaranty shall not be affected, reduced, modified, or impaired on the happening from time to time of any of the following events, whether or not with notice to (except as notice is otherwise expressly required) or the consent of Guarantor:

2.1 Failure to Give Notice. The failure to give notice to Guarantor of the occurrence of a default under the terms and provisions of this Guaranty or the Loan Documents;

2.2 Modifications or Amendments. The modification or amendment, whether material or otherwise, of any obligation, covenant, or agreement set forth in this Guaranty or Loan Documents;

2.3 Lender’s Failure to Exercise Rights. Any failure, omission, delay by, or inability by Lender to assert or exercise any right, power, or remedy conferred on Lender in this Guaranty or the Loan Documents, including the failure to execute on collateral held for this Guaranty or the Loan Documents;

2.4 Release of Security. Any release of any real or personal property or other security now held or to be held by Lender for the performance of the Guaranteed Obligations;

2.5 Borrower’s Termination. A termination, dissolution, consolidation, or merger of Borrower with or into any other entity;

2.6 Borrower’s Bankruptcy. The voluntary or involuntary liquidation, dissolution, sale, or other disposition of all or substantially all of Borrower or its affiliate’s assets, the marshalling of Borrower or its affiliate’s assets and liabilities, the receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors, or readjustment of, or other similar proceedings affecting Borrower, Guarantor, their affiliates, or any of the assets of either Borrower or Guarantor, or their affiliates;

2.7 Lender’s Assignment of Rights. The assignment of any right, title, or interest of Lender in this Guaranty or the Loan Documents to any other person; or

2.8 Extent of Guarantor's Obligations. Any other cause or circumstance, foreseen or unforeseen, whether similar or dissimilar to any of the foregoing; it being the intent of Guarantor that its obligations under this Guaranty shall not be discharged, reduced, limited, or modified except by (a) payment of amounts owing pursuant to this Guaranty and/or Loan Documents (and then only to the extent of such payment or payments); and (b) full performance of obligations under this Guaranty and/or Loan Documents (and then only to the extent of such performed or discharged obligation or obligations).

2.9 Exercise of Lender Rights. Any action of Lender authorized herein.

3. Additional Credit. Additional credit under the Loan Documents may be granted from time to time at Borrower's request and without further authorization from or notice to Guarantor and shall automatically be deemed part of the Guaranteed Obligations. Lender need not inquire into Borrower's power or the authority of its members, officers, or agents acting or purporting to act on its behalf. Each credit granted to Borrower under the Loan Documents shall be deemed to have been granted at Guarantor's insistence and request and in consideration of, and in reliance on, this Guaranty.

4. Guaranty of Payment. Subject to the limitations provided herein, Guarantor's liability on this Guaranty is a guaranty of payment and performance, not of collectability.

5. Cessation of Liability. Guarantor's liability under this Guaranty shall not in any way be affected by the cessation of Borrower's liability for any reason other than full performance of all the obligations under the Loan Documents, including, without limitation, any and all obligations to indemnify Lender.

6. Authorization of Lender. Guarantor authorizes Lender, without notice or demand and without affecting its liability under this Guaranty, and without consent of Guarantor or prior notice to Guarantor, to:

6.1 Modify Loan Documents. Make any modifications to the Loan Documents;

6.2 Assign Guaranty. Assign the Loan Documents and this Guaranty;

6.3 Modify Security. Take, hold, or release security for the performance of the Guaranteed Obligations with the consent of the party providing such security;

6.4 Additional Guarantors. Accept or discharge, in whole or in part, additional guarantors;

6.5 Order of Sale. Direct the order and manner of any sale of all or any part of security now or later held under the Loan Documents or this Guaranty, and also bid at any such sale to the extent allowed by law; and

6.6 Application of Proceeds. Apply any payments or recovery from Borrower, Guarantor, or any source, and any proceeds of any security, to Borrower's obligations under the Loan Documents in such manner, order, and priority as Lender may elect, whether or not those obligations are guaranteed by this Guaranty or secured at the time of such application.

7. Lender's Rights on Borrower's Default. Guarantor agrees that on Borrower's default Lender may elect to nonjudicially or judicially foreclose against all or part of the real or personal property securing Borrower's obligations, or accept an assignment of any such security in lieu of foreclosure, or compromise or adjust any part of such obligations, or make any other accommodation with Borrower or Guarantor, or exercise any other remedy against Borrower or any security. No such action by Lender shall release or limit Guarantor's liability to Lender, even if the effect of that action is to deprive Guarantor of the right to collect reimbursement from Borrower or any other person for any sums paid to Lender or bar or prejudice Guarantor's rights of subrogation, contribution, or indemnity against Borrower or any other person. Without limiting the foregoing, it is understood and agreed that, on any foreclosure or assignment in lieu of foreclosure of any security held by Lender, such security shall no longer exist and that any right that Guarantor might otherwise have, on full payment of the Borrower's obligations by Guarantor to Lender, to participate in any such security or to be subrogated to any rights of Lender with respect to any such security shall be nonexistent; nor shall Guarantor be deemed to have any right, title, interest, or claim under any circumstances in or to any real or personal property held by Lender or any third party following any foreclosure or assignment in lieu of foreclosure of any such security. Guarantor again specifically acknowledges and waives the above as more specifically provided for herein.

8. Effect of Borrower's Bankruptcy. The liability of Guarantor under this Guaranty shall in no way be affected by:

8.1 Release of Borrower. Release or discharge of Borrower in any creditor proceeding, receivership, bankruptcy, or other release or discharge of Borrower, for any reason;

8.2 Modification of Borrower's Liability. Impairment, limitation, or modification of Borrower's liability or the estate, or of any remedy for the enforcement of Borrower's liability, which may result from the operation of any present or future provision of the Bankruptcy Code (Title 11 of the United States Code, as amended; 11 U.S.C. §§ 101-1330) or any bankruptcy, insolvency, state or federal debtor relief statute, any other statute, or from the decision of any court;

8.3 Rejection of Debt. Rejection or disaffirmance of the Indebtedness, or any portion of the Indebtedness, in any such proceeding;

8.4 Cessation of Borrower's Liability. Cessation, from any cause whatsoever, whether consensual or by operation of law, of Borrower's liability to Lender resulting from any such proceeding; or

8.5 Modification and Replacement of Guaranteed Obligation. If the Guaranteed Obligations are restructured or replaced in connection with a bankruptcy proceeding or case, Guarantor shall remain liable as guarantor of such restructured or replaced obligation.

9. Subordination. Until the Guaranteed Obligations have been paid or otherwise discharged in full, Guarantor subordinates any and all liability or indebtedness of Borrower owed to Guarantor to the obligations of Borrower to Lender that arise under the Guaranteed Obligations.

10. Application of Payments. With or without notice to Guarantor, Lender, in its sole and absolute discretion may:

10.1 Priority of Payments. Apply any or all payments or recoveries from Borrower, from Guarantor, or from any other guarantor or endorser under this or any other instrument, or realized from any security, in such manner, order, or priority as Lender sees fit, to the indebtedness of Borrower to Lender under the Loan Documents, whether such indebtedness is guaranteed by this Guaranty or is otherwise secured or is due at the time of such application; and

10.2 Refund to Borrower. Refund to Borrower any payment received by Lender on any indebtedness guaranteed in this Guaranty, and payment of the amount refunded is fully guaranteed. Any recovery realized from any other guarantor under this or any other instrument shall be first credited on that portion of the indebtedness of Borrower to Lender that exceeds the maximum liability, if any, of Guarantor under this Guaranty.

11. Claims in Bankruptcy. Guarantor shall file all claims against Borrower in any bankruptcy or other proceeding in which the filing of claims is required or allowed by law on any indebtedness of Borrower to Guarantor, and shall assign to Lender all rights of Guarantor on any such indebtedness. If Guarantor does not file any such claim, Lender, as attorney-in-fact for Guarantor, is authorized to do so in Guarantor's name, or, in Lender's discretion, to assign the claim and to file a proof of claim in the name of Lender's nominee. In all such cases, whether in bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to Lender the full amount of any such claim, and, to the full extent necessary for that purpose, Guarantor assigns to Lender all of Guarantor's rights to any such payments or distributions to which Guarantor would otherwise be entitled.

12. Representations and Warranties if Guarantor is an Entity. If Guarantor is an entity, Guarantor represents and warrants to Lender that:

12.1 Legal Status. Guarantor (a) is duly organized, validly existing under, and in good standing with, the laws of the state in which it is domiciled and in the state in which the property secured the Loan is located in; (b) has all requisite power, and has all material governmental licenses, authorizations, consents, and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business in the state in which any property securing the loan is located in.

12.2 No Breach. Neither the execution and delivery of this Guaranty nor compliance with its terms and provisions shall conflict with or result in a breach of, or require any consent under, the organizational documents of Guarantor, or any agreement or instrument by which Guarantor is bound.

12.3 Authority and Power. Guarantor has all necessary power and authority to execute, deliver, and perform its obligations under this Guaranty. Guarantor's execution, delivery, and performance of this Guaranty has been duly authorized by all necessary action on its part; and this Guaranty has been duly and validly executed and delivered by Guarantor and constitutes its legal, valid, and binding obligation, enforceable against Guarantor in accordance with its terms. Guarantor shall, concurrently with the execution of this Guaranty, deliver to Lender a copy of a resolution of Guarantor's managing member(s), if a limited liability company, or board of directors and/or shareholders, if a corporation, authorizing or ratifying execution of this Guaranty.

12.4 Financial Statements. All financial information furnished or to be furnished to Lender is or will be true and correct, does or will fairly represent the financial condition of Guarantor, and was or will be prepared in accordance with generally accepted accounting principles ("GAAP").

12.5 Claims and Proceedings. There are no claims, actions, proceedings, or investigations pending against Guarantor.

13. Representations and Warranties if Guarantor is an Individual. If Guarantor is an individual, Guarantor represents and warrants to Lender that:

13.1 Legal Status. Guarantor has all requisite power and has all material governmental licenses, authorizations, consents, and approvals necessary to carry on his business as now being or as proposed to be conducted.

13.2 No Breach. Neither the execution and delivery of this Guaranty nor compliance with its terms and provisions shall conflict with or result in a breach of, or require any consent under any agreement or instrument by which Guarantor is bound.

13.3 Authority and Power. This Guaranty has been duly and validly executed and delivered by Guarantor and constitutes its legal, valid, and binding obligation, enforceable against Guarantor in accordance with its terms.

13.4 Financial Statements. All financial information furnished or to be furnished to Lender is or will be true and correct, does or will fairly represent the financial condition of Guarantor, and was or will be prepared in accordance with generally accepted accounting principles ("GAAP").

13.5 Claims and Proceedings. There are no claims, actions, proceedings, or investigations pending against Guarantor.

14. Information Not Required. Guarantor represents that Guarantor is fully aware of Borrower's financial condition and operation and is in a position by virtue of his, her, or its relationship to Borrower to obtain all necessary financial and operational information concerning Borrower. Lender need not disclose to Guarantor any information about:

14.1 Loan Documents. The Loan Documents or any modification of them, and any action or non-action in connection with them;

14.2 Other Guaranteed Obligations. Any other obligation guaranteed in this Guaranty;

14.3 Borrower's Financial Condition. The financial condition or operation of Borrower; or

14.4 Other Guarantors. Any other guarantors.

15. Notice. Except for any notice required by Governmental Requirements to be given in another manner, (a) all notices required or permitted by this Guaranty shall be in writing; (b) each notice to Guarantor shall be sent (i) for personal delivery by a delivery service that provides a record of the date of delivery, the individual to whom delivery was made, and the address where delivery was made; (ii) by certified United States mail, postage prepaid, return receipt requested; or (iii) by nationally recognized overnight delivery service, marked for next-business-day delivery; and (c) all notices shall be addressed to the appropriate party at its address stated on Page 1 of this Guaranty or such other addresses as may be designated by notice given in compliance with this provision. Notices will be deemed effective on the

earliest of (a) actual receipt; (b) rejection of delivery; or (c) if sent by certified mail, the third day on which regular United States mail delivery service is provided after the day of mailing or, if sent by overnight delivery service, on the next day on which such service makes next-business-day deliveries after the day of sending.

16. No Waiver Upon Lender's Lack of Enforcement. No failure or delay by Lender, or its successors and assigns, in exercising any right, power, or privilege under this Guaranty shall operate as a waiver; nor shall any single or partial exercise of any right, power, or privilege preclude any other or further such exercise or the exercise of any other right, power, or privilege.

17. Governing Law; Consent to Jurisdiction and Venue. This Guaranty is made by Lender and accepted by Guarantor 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 Real Property Collateral under the Loan Documents shall be governed by and construed according to the laws of the state in which each Real Property Collateral is situated. To the fullest extent permitted by the law of the state in which each Real Property Collateral 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 each Real Property Collateral 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 Real Property Collateral, shall be Los Angeles County, California, or the applicable federal district court that covers said County, and Guarantor submits to personal jurisdiction in that forum for any and all purposes. Guarantor waives any right Guarantor may have to assert the doctrine of forum non conveniens or to object to such venue.

GUARANTOR'S INITIALS: _____

18. Advice of Counsel. Guarantor expressly declares that it knows and understands the contents of this Guaranty and has either consulted or had the opportunity to consult with an attorney as to its form and content.

19. Attorney Fees. Guarantor agrees to pay the following costs, expenses, and Attorneys' Fees paid or incurred by Lender, or adjudged by a court: (a) reasonable costs of collection and costs, expenses, and Attorneys' Fees paid or incurred in connection with the collection or enforcement of the Loan Documents, whether or not suit is filed; (b) reasonable costs, expenses, and Attorneys' Fees paid or incurred in connection with representing Lender in any bankruptcy, reorganization, receivership, or other proceedings affecting creditors' rights and involving a claim under the Loan Documents; (c) reasonable costs, expenses, and Attorneys' Fees incurred to protect the lien of the Security Instrument; and (d) costs of suit and such sum as the court may adjudge as Attorneys' Fees in any action to enforce payment of the Loan Documents or any part of it.

In addition to the aforementioned fees, costs, and expenses, Lender shall be entitled to its Attorneys' Fees, and all other fees, costs, and expenses incurred in any post-judgment proceedings to collect or enforce any judgment. This provision for the recovery of post-judgment fees, costs, and expenses is separate and several and shall survive the merger of this Guaranty into any judgment on this Guaranty.

20. Assignability. This Guaranty shall be binding on Guarantor and Guarantor's heirs, representatives, successors and assigns and shall inure to the benefit of Lender, its successors and assigns, and their successors and assigns and respective personal representatives, successors, and assigns according to the context of this Guaranty. Guarantor shall not have the right to assign the obligations in this Guaranty. Lender may assign its rights under this Guaranty in connection with an assignment of all or part of the Guaranteed Obligation. Notice is hereby waived as to any such assignment by Lender.

21. Revival of Guaranty. If a claim (“Claim”) is made on Lender at any time (whether before or after payment or performance in full of any Guaranteed Obligation, and whether such claim is asserted in a bankruptcy proceeding or otherwise) for repayment or recovery of any amount or other value received by Lender (from any source) in payment of, or on account of, any Guaranteed Obligation, and if Lender repays such amount, returns value or otherwise becomes liable for all or part of such Claim by reason of (a) any judgment, decree, or order of any court or administrative body or (b) any settlement or compromise of such Claim, Guarantor shall remain severally liable to Lender for the amount so repaid or returned or for which Lender is liable to the same extent as if such payments or value had never been received by Lender, despite any termination of this Guaranty or the cancellation of any note or other document evidencing any Guaranteed Obligation.

22. Captions. The captions and section headings appearing in this Guaranty are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Guaranty.

23. Severability. If any provision in this Guaranty is invalid and unenforceable in the jurisdiction whose law is applied to this Guaranty or in any particular context, then, to the fullest extent permitted by law, (a) the other provisions shall remain in full force and effect in such jurisdiction or context and shall be liberally construed in favor of Lender in order to carry out the parties’ intentions as nearly as possible, and (b) the invalidity or unenforceability of any provision in that jurisdiction or context shall not affect the validity or enforceability of such provision in any other jurisdiction.

24. Waivers. Without limiting any other provision of this Guaranty or any other Loan Document.

24.1 Waiver of Rights to Require Lender to Act. Guarantor waives the right to require Lender to:

- 24.1.1. Proceed against Borrower or any other person;
- 24.1.2. Proceed or exhaust any security held from any person;
- 24.1.3. Proceed against any other guarantor; or
- 24.1.4. Pursue any other remedy available to Lender.

24.2 Waivers Until Obligation Is Repaid. Until the Guaranteed Obligations have been paid or otherwise discharged in full:

24.2.1. Guarantor waives all rights of subrogation, indemnity, any rights to collect reimbursement from Borrower, and any right to enforce any remedy that Lender now has, or may have, against Borrower.

24.2.2. Guarantor waives any benefit of, and any right to participate in, any security now or later held by Lender.

24.2.3. Guarantor waives any defense it may have now or in the future based on any election of remedies by Lender that destroys Guarantor’s subrogation rights or Guarantor’s rights to proceed against Borrower for reimbursement, and Guarantor acknowledges that it shall be liable to Lender even though Guarantor may well have no such recourse against Borrower.

24.2.4. Guarantor waives notice of (a) acceptance and reliance on this Guaranty; (b) notice of renewal, extension, or modification of any Guaranteed Obligation under this Guaranty; and (c) notice of default or demand in the case of default.

24.2.5. Guarantor waives any right or defense it may now or hereafter have based on (a) Lender’s full or partial release of any party who may be obligated to Lender; (b) Lender’s full or partial release or impairment of any collateral for the Guaranteed Obligations; and (c) the modification or extension of the Guaranteed Obligations.

24.2.6. Guarantor waives any and all suretyship defenses now or later available to it under the law governing this Guaranty.

24.2.7. Without limiting the generality of any other waiver or provision of this Guaranty, Guarantor waives, to the maximum extent such waiver is permitted by law, any and all benefits or defenses arising directly or indirectly under the law governing this Guaranty.

24.2.8. Guarantor waives any statute of limitation affecting liability under this Guaranty or the enforceability of this Guaranty and further waives any defense that might otherwise exist because of the expiration of the statute of limitations on the Loan Documents.

24.2.9. Guarantor waives any duty of Lender to disclose to Guarantor any facts Lender may now know or later learn about Borrower or Borrower's financial condition regardless of whether Lender has reason to believe that any such facts materially increase the risk beyond that which Guarantor intends to assume, or has reason to believe that such facts are unknown to Guarantor, or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed that Guarantor is fully responsible for and is capable of being and keeping informed of Borrower's financial condition and of all circumstances bearing on the risk of nonpayment of any indebtedness guaranteed under this Guaranty.

24.2.10. Guarantor waives all notices to Guarantor.

24.2.11. Without limiting the generality of any other waiver or provision of this Guaranty, Guarantor waives, to the maximum extent such waiver is permitted by law, any and all benefits or defenses arising directly or indirectly under any one or more of (a) California Civil Code §§ 2799, 2808, 2809, 2810, 2815, 2819, 2820, 2821, 2822, 2838, 2839, 2845, 2846, 2847, 2848, 2849, 2850, 2899, and 3433; (b) Chapter 2 of Title 14 of the California Civil Code; (c) California Code of Civil Procedure §§580a, 580b, 580c, 580d, and 726; (d) California Commercial Code §3605 or (e) any rights identified in *Union Bank v. Gradsky*, 265 Cal. App. 2d 40 (1968).

25. **Arbitration.** Concurrently herewith, Borrower and Guarantor shall execute that certain Arbitration Agreement whereby Borrower, Guarantor, and Lender agree to arbitrate any disputes to resolve any Claims (as defined in the Arbitration Agreement).

26. **Joint and Several.** If this Guaranty is issued by more than one party or if any other party guarantees the obligations of Borrower, the obligations of Guarantor and any others under this Guaranty shall be joint and several.

27. **Entire Agreement.** This Guaranty embodies the entire agreement and understanding between Guarantor and Lender pertaining to the subject matter of this Guaranty, and supersedes all prior agreements, understandings, negotiations, representations, and discussions, whether verbal or written, of the parties, pertaining to that subject matter. Guarantor is not relying on any representations, warranties, or inducements from Lender that are not expressly stated in this Guaranty.

28. **Further Assurances.** Guarantor shall promptly and duly execute and deliver to Lender such further documents and assurances and take such further action as Lender may from time to time reasonably request, including, without limitation, any amendments to this Guaranty to establish and protect the rights, interests, and remedies created or intended to be created in favor of Lender.

29. **Gender; Singular Includes Plural.** As used in this Guaranty, the singular includes the plural, and the masculine includes the feminine and neuter, and vice versa, if the context so requires.

30. **Nonwaiver.** No provision of this Guaranty or right of Lender under this Guaranty can be waived, nor can Guarantor be released from its obligations under this Guaranty except by a writing duly executed by an authorized representative of Lender.

31. **Continuing Liability.** Guarantor shall continue to be liable under this Guaranty despite the transfer by Borrower of all or any portion of the property encumbered by the Loan Documents.

32. **Time Is of the Essence.** Time is of the essence under this Guaranty and any amendment, modification, or revision of this Guaranty.

33. **Cumulative Rights.** The extent of Guarantor's liability and all rights, powers, and remedies of Lender under this Guaranty, and under any other agreement now or at any future time in force between Lender and Guarantor, shall be cumulative and not alternative, and such rights, powers, and remedies shall be in addition to all rights, powers, and remedies given to Lender by law. This Guaranty is in addition to and exclusive of the guaranty of any other guarantor of any indebtedness of Borrower to Lender.

34. **WAIVER OF JURY TRIAL.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, GUARANTOR, AND LENDER AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY

TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED ON OR ARISING FROM THE LOAN DOCUMENTS. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. GUARANTOR AND, BY ITS ACCEPTANCE OF THE BENEFITS OF THE LOAN, BORROWER EACH (A) ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR BORROWER AND LENDER TO ENTER INTO A BUSINESS RELATIONSHIP, THAT BORROWER AND LENDER HAVE ALREADY RELIED ON THIS WAIVER BY ENTERING INTO THE LOAN OR ACCEPTING ITS BENEFITS, AS THE CASE MAY BE, AND THAT EACH SHALL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS, AND (B) FURTHER WARRANTS AND REPRESENTS THAT EACH HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THE LOAN AGREEMENT OR THE NOTE.

35. Separation of Parties. Guarantor is separate and distinct from Borrower. Borrower and Guarantor were solely responsible for all corporate structuring and Lender had no role in the corporate structuring of Borrower and/or Guarantor. Borrower and Guarantor have provided independent financial statements to Lender and Lender has relied on such financial statements in making loan to Borrower.

36. Capitalized Terms. Capitalized terms used but not defined herein shall have the meaning ascribed to such term in the Loan Documents, each executed on August 5, 2022.

37. Community Property. If Guarantor (or any Guarantor, if more than one) is a married person, and the state of residence of Guarantor or Guarantor's spouse ("Guarantor Spouse") is a community property jurisdiction, then each of the following apply:

37.1 Guarantor (or each such married Guarantor, if more than one) agrees that Lender may satisfy Guarantor's obligations under this Guaranty to the extent of all Guarantor's separate property and against the marital community property of Guarantor and Guarantor Spouse.

37.2 If Guarantor Spouse is not also a Guarantor of the Loan, Guarantor certifies that none of the assets shown on his or her financial statements submitted to Lender for purposes of underwriting the Loan were either (i) Guarantor Spouse's individual property, or (ii) community property under the sole management, control, and disposition of Guarantor Spouse.

37.3 If Guarantor Spouse is not also a Guarantor of this loan and Guarantor or Guarantor Spouse's state of residence is Alaska, Arizona, Idaho, Louisiana, Nevada, New Mexico, Washington, or Wisconsin, Guarantor has caused Guarantor Spouse to acknowledge this Guaranty as required on the signature page of this Guaranty.

38. Loan Agreement. This Guaranty is subject to the provisions of the Loan Agreement, which is incorporated herein.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, Guarantor has executed and delivered this Guaranty as of the date first written above.

GUARANTOR:

KENNETH PACHECO

Kenneth Pacheco, an individual

BALLOON PAYMENT DISCLOSURE

Lender: Balboa, LLC, a California limited liability company	Borrower: Blue Oak Farms LLC, a California limited liability company
Date: October 31, 2023	Property Address: 1756 Ogulin Canyon Road, Clearlake, California 95422

THE NOTE YOU ARE SIGNING WITH RESPECT TO THE LOAN YOU ARE OBTAINING REQUIRES THE ENTIRE AMOUNT OF OUTSTANDING PRINCIPAL AND ACCRUED INTEREST TO BE PAYABLE IN FULL ON THE "BALLOON PAYMENT DATE" INDICATED BELOW.

NOTICE TO BORROWER:

IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES, AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.

PLEASE BE SURE YOU FULLY UNDERSTAND THE ABOVE BEFORE SIGNING THE NOTE AND OTHER RELATED LOAN DOCUMENTS.

BALLOON PAYMENT DATE: September 1, 2025
BALLOON PAYMENT AMOUNT: \$656,436.81*

(*Plus any unpaid interest, late charges or other unpaid amounts due under the Loan Agreement, Note or Security Instrument.)

I ACKNOWLEDGE RECEIPT OF THE ABOVE AND CERTIFY MY FULL UNDERSTANDING OF ALL OF THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND NOTE, INCLUDING THE BALLOON PAYMENT REQUIREMENT.

BORROWER:

BLUE OAK FARMS LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

By: _____
Kenneth Pacheco, Manager

BUSINESS PURPOSE OF LOAN CERTIFICATION

Lender: Balboa, LLC, a California limited liability company	Borrower: Blue Oak Farms LLC, a California limited liability company
Date: October 31, 2023	Property Address: 1756 Ogulin Canyon Road, Clearlake, California 95422

Borrower certifies to Lender and its successors and assigns the following as true and correct:

1. Borrower obtained a loan in the original principal amount of \$650,000.00 (the “Note”) That amount is secured by the Property (the “Security Instrument”) (the Note, and Security Instrument are collectively referred to as the “Loan”). Lender and Borrower are now entering into the Modification Agreement dated as of the date hereof, which will modify the terms of the Note, Loan and Security Agreement, and certain other agreements relating thereto in the manner described therein (the “Modification Agreement”).

2. Lender has stressed to Borrower the importance of knowing the primary purpose of this Loan. Borrower knows that the legal responsibilities of the Lender vary considerably depending upon whether a loan is a consumer loan, which is for personal, household or family purposes, or a business loan, which is for every other purpose.

3. Borrower has previously represented to Lender and again represent to Lender in this certification, its successors and assigns, that ALL of the purposes of the Loan, exclusive of commissions and loan expenses incurred to obtain the Loan are for business purposes.

Purpose

Approximate Amount

4. NO part of the proceeds of the Loan are intended to be used for a consumer purpose except the following. If there are no consumer purposes for the loan proceeds, please indicate "N/A" or "NONE" below:

Purpose

Approximate Amount

Borrower declares under penalty of perjury under the laws of the state in which the Property is located that the foregoing is true and correct.

Dated: _____

BORROWER:

BLUE OAK FARMS LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

By: _____
Kenneth Pacheco, Manager

ENTITY CERTIFICATE

TO: Balboa, LLC, a California limited liability company ("Lender").

The undersigned, being all of the owners of Blue Oak Farms LLC, a California limited liability company (the "Company"), hereby certify to Lender as follows:

1. The Company is duly formed and validly existing under the laws of the state in which it was formed, and if the state of formation is not the same as the state in which the Property is located, the Company has been duly registered within the state in which the Property is located.

2. A true and complete copy of the documents that were filed to form the Company and that govern the operation of the Company (collectively, the "Entity Documents") and all amendments thereto are attached hereto and incorporated herein by reference as Exhibit A. The Entity Documents are in full force and effect, and have not been altered, amended, canceled, extended, modified, superseded, supplemented or terminated, except as set forth in Exhibit A.

3. Lender extended a loan in the original principal amount of Six Hundred Fifty Thousand and 00/100 Dollars (\$650,000.00) ("Loan") to Borrower. Borrower has asked Lender to modify the terms of the Loan and Lender has agreed to such modification pursuant to that certain Modification Agreement ("Modification Agreement"). The Modification Agreement, Modification of Security Instrument and all other documents extended in conjunction therewith are collectively referred to as the "Modification Documents."

4. Kenneth Pacheco, the Manager of the Company ("Authorized Person"), shall have the full power and authority, in the name and on behalf of the Company, to:

a. execute and deliver to Lender any and all Modification Documents, including without limitation notes, deeds of trust, mortgages, assignments, security agreements, financing statements, indemnities, certificates, guarantees, pledges, subordinations, estoppels, and agreements, and any renewals, extensions, modifications and amendments thereto, all on such terms, in such amounts, and at such interest rates as may be acceptable to Authorized Person, its execution of such documents or instruments to be conclusive proof of its approval thereof; and

b. appoint one or more persons to deliver the items identified above to Lender on behalf of the Company.

5. The matters contained herein are intended as a specific identification of certain powers and authority, and shall not be construed as a limitation on any powers or authority now or hereafter conferred on Authorized Person or the Company.

6. The authority given hereunder shall be deemed retroactive, and any and all acts authorized hereunder and previously performed are hereby ratified and affirmed.

7. Unless and until Lender receives written notice to the contrary delivered pursuant to the notice provisions of the Loan Agreement, Lender may rely on the acts and signature of Authorized Person as being the valid and binding acts and signature of the Company.

8. Capitalized terms used but not defined herein shall have the meaning ascribed to such term in the Loan Agreement, Modification Agreement or the Security Instrument, each executed of even date herewith.

[SIGNATURES FOLLOW]

Date: October 31, 2023

OWNERS:

KENNETH PACHECO

Kenneth Pacheco, an individual

Exhibit “A”
Entity Documents