
(Above Space for Recorder's Use)

MORTGAGE

This Mortgage is made this 23rd day of December, 2024, by Guam Housing and Urban Development Authority ("GHURA" or "Borrower") to the Department of Administration, Government of Guam ("DOA" or "Lender"). This Mortgage secures to Lender the repayment of amounts Lender is obligated to advance on the Borrower's behalf under the terms of a Loan Agreement dated December 23, 2024 ("Loan Agreement"). The agreement to repay is evidenced by Borrower's Note dated December 23, 2024 ("Note"), with interest, and all renewals, extensions and modifications of the Note; the payment of all other sums, with interest, advanced herein, in the Note and in the Loan Agreement, to protect the security of this Mortgage or otherwise due under the terms of this Mortgage; and the performance of Borrower's covenants and agreements under this Mortgage. The term of this Mortgage shall coincide with the term of the Note. This Mortgage shall continue so long as Lender holds the Note from the Borrower and it shall terminate upon the repayment by Borrower to Lender of all sums secured hereunder. This Mortgage may be amended from time to time to add, remove or substitute the secured property identified below as the parties may agree.

NOW, THEREFORE, the parties agree and covenant as follows:

1. **SECURITY AGREEMENT.** Borrower hereby grants to Lender a security interest in the Property described in this paragraph, together with all improvements, appurtenances, rents,

issues, profits, and proceeds thereof (collectively, the "Collateral"), to secure the repayment of the indebtedness evidenced by the Note and the performance of all Borrower's obligations under this Mortgage, the Note, and the Loan Agreement. This Mortgage creates a valid and enforceable security interest in the Collateral in favor of Lender. The Property is described as follows:

1. Legal Description: Lot 5280-3
Size: +/- 194,081 square meters
Zone: Agriculture ("A")
Cost: \$3,500,000

Lender's security interest in the Collateral shall attach upon execution of this Mortgage. Lender shall perfect its security interest in the Collateral by recording this Mortgage with the Department of Land Management. Borrower agrees to execute and deliver any further documents and instruments and take any other actions reasonably requested by Lender to create, perfect, continue, or protect Lender's security interest in the Collateral. Borrower represents and warrants that the Collateral is free and clear of all liens and encumbrances other than those permitted by this Mortgage.

Borrower covenants that Borrower will be lawfully seized of the Property at the time of closing and has the right to mortgage, grant and convey the Property. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

2. **PAYMENT OF PRINCIPAL AND INTEREST.** Borrower agrees to pay when due the principal of, and interest on, the debt evidenced by the Note.

3. **ENCUMBRANCES.** Borrower agrees to pay, when due, all encumbrances which are or appear to be liens upon the Property or any part thereof, and waives all right to treat payment of such encumbrances as a payment on such debt or to any extent a discharge thereof promptly to pay and settle (or cause to be removed by suit or otherwise) all adverse claims against the Property.

In case said encumbrances are not paid by Borrower, then Lender, being hereby made sole judge or the legality thereof, may, without notice to Borrower, pay such encumbrances, and pay or settle or cause to be removed by suit or otherwise all such adverse claims, and any such sums expended shall be secured hereby.

4. **CONDEMNATION.** Any award of damages in connection with any condemnation for public use of or injury to the Property, or any part thereof, is hereby assigned and shall be paid to Lender, who may apply such monies to the indebtedness secured hereby.

5. **DEFAULT.** Borrower agrees to pay the Note according to its terms. Borrower will not, without the Lender's prior written consent, obtain any other financing secured by a lien or security interest on any portion of the Property. Borrower will not, without the Lender's prior written consent, sell, convey, assign, transfer or encumber in any way its interest in the Property. If Borrower defaults on any payment of principal or interest when due, or on any other payment or performance of any covenant or agreement in this Mortgage, and if such default is not cured within thirty (30) days after written notice of such default, then Lender, at its option, may declare the entire debt secured by this Mortgage immediately due and payable. This Mortgage may then, or at any time during such default, be foreclosed. The filing of a foreclosure complaint shall constitute conclusive notice of the exercise of this option.

Notice of default shall be deemed given upon the earliest of:

- (a) Borrower's actual receipt of written notice;
- (b) five (5) business days after certified mail delivery, postage prepaid, addressed to Borrower at 117 Bien Venida Avenue, Sinajana, Guam, or to such other physical address as Borrower may have designated in writing to Lender; or
- (c) one (1) business day after electronic notice is sent to Borrower's designated email address, provided Lender receives electronic confirmation of successful transmission. Borrower may designate an email address for notice by providing written notice of such designation to Lender. Any change to Borrower's designated physical or

electronic address for notice shall be effective only upon Lender's actual receipt of written notice of such change.

6. **APPOINTMENT OF RECEIVER.** It is hereby agreed, as part of the security of Lender, that if default be made in payment of the principal of the Note, or in payment of any interest thereon when due or in any other payment in this Mortgage provided, or in any agreement herein provided to be performed by Borrower, then, in each such case Lender shall have the absolute right, upon commencement of any judicial proceeding to enforce any right under this Mortgage, including foreclosure thereof, to appointment of a receiver of the property hereby mortgaged and of the revenues, rents, profits and other income thereof and that said receiver shall have (in addition to such other powers as the court making such appointment may confer) full power to collect all such income and after paying all necessary expense of such receivership and of operation, maintenance and repair of the Property, to apply the balance to payment of any sums then due hereunder.

7. **INUREMENT.** Every agreement herein shall bind and inure to the benefit of Borrower and Lender and their respective assigns.

8. **NON-WAIVER.** No failure or delay by DOA in exercising its rights under this Mortgage shall be considered a waiver of such rights.

9. **SEVERABILITY.** In the event that any provision herein is determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other provision, all of which shall remain in full force and effect.

10. **AMENDMENTS.** This Mortgage may not be amended, modified, or supplemented in any way except by a written instrument signed by both parties.

11. **GOVERNING LAW.** This Mortgage shall be governed under the laws of Guam.

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IN WITNESS WHEREOF, the Borrower and Lender have executed this Mortgage on the date first above written.

BORROWER:



Elizabeth F. Napoli, Executive Director
Guam Housing and Urban Renewal Authority

SUBSCRIBED AND SWORN to before me the undersigned notary this 23rd day of December, 2024 by ELIZABETH F. NAPOLI.


NOTARY PUBLIC

SONIA LYNN SILIANG
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: JUNE 16, 2028
Commission Number NP: 24-0724P
115 Chalan Gafa Unit 184 Dededo, Guam 96929

LENDER:



Edward Birn, Director
Department of Administration

SUBSCRIBED AND SWORN to before me the undersigned notary this 23rd day of December, 2024 by EDWARD BIRN.


NOTARY PUBLIC

SONIA LYNN SILIANG
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: JUNE 16, 2028
Commission Number NP: 24-0724P
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