

APN: 003-053-03

NCS-1000088

RECORDING REQUESTED BY:

First American Title Insurance
Company

8311 W. Sunset Road, Suite 100
Las Vegas, Nevada 89113

WHEN RECORDED MAIL TO:

Nevada Housing Division
1830 E. College Parkway, Suite 200
Carson City, Nevada 89706

LINCOLN COUNTY, NV

2022-162052

\$37.00

Rec:\$37.00

03/15/2022 02:10 PM

FIRST AMERICAN TITLE INSURANCE COMPANY

OFFICIAL RECORD

AMY ELMER, RECORDER

DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS (this "Deed of Trust") is made this 15TH day of March 2022, minnie st. 2020 LLC, a Nevada limited liability company (herein "Trustor"), whose address is 234 Shelter Valley Drive, Kalispell, Montana 59901, and First American Title Insurance Company, whose address is 8311 W. Sunset Road, Suite 100, Las Vegas, Nevada 89113 (herein "Trustee"), a Nevada corporation, for the benefit of Nevada Housing Division, a division of the Nevada Department of Business and Industry, a state agency (herein "Beneficiary").

WITNESSETH:

That Trustor irrevocably grants, transfers and assigns to Trustee in Trust, with Power of Sale, that property in the County of Lincoln, State of Nevada, described in the Legal Description, Exhibit A attached hereto (the "Property"), together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

This Deed of Trust is given for the purpose of securing: (1) payment of the sum of Four Hundred Thousand Dollars and No/100ths Dollars (\$400,000.00) in HOME Investment Partnerships Program Funds ("Project Funds") with interest accruing thereon according to the terms of the Promissory Note (Secured-All Inclusive) of even date herewith (herein the "Secured Note," and, together with the Project Agreement (as defined below) and this Deed of Trust, collectively, the "Loan Documents") made by Trustor, payable to the order of Beneficiary, and extensions or renewals thereof; (2) the obligations of the Trustor, including its successors and assigns, under

policies and any other hazard Beneficiary so requires as of the date hereof, in an amount approved by Beneficiary as of the date hereof, with a replacement cost endorsement without depreciation;

- (ii) public liability and property damage insurance applicable to the Property with an endorsement naming Beneficiary as an additional insured as its interest may appear; and
- (iii) flood insurance if the Property is designated as part of a flood plain or otherwise comes under the requirements of the Federal Flood Insurance Act of 1968, as amended, or any similar state or federal law.

2. All insurance maintained by Trustor shall:

- (i) except for liability insurance contain a standard non-contributory mortgagee's endorsement in favor of Beneficiary;
- (ii) except for liability insurance, provide that, insurance proceeds shall be payable to Beneficiary, and in the case of hazard insurance, pursuant to the Nevada Standard Mortgagee Clause No. 438BFUNS or other mortgagee clause;
- (iii) provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Trustor or Beneficiary or any other person;
- (iv) provide that no cancellation, reduction in amount, or material change in coverage shall be effective until at least 30 days after receipt by Trustor and Beneficiary of written notice;
- (v) contain only such deductibles, if any, as Beneficiary may approve in writing and be reasonably satisfactory to Beneficiary in all other respects; and
- (vi) any insurance may, at Trustor's option, be provided through a blanket policy or policies.

3. Upon execution of this Deed of Trust and thereafter not less than 30 days prior to the expiration date of any policy, Trustor will deliver to Beneficiary the original of any policy or renewal policy required by this Deed of Trust, bearing notations evidencing the payment of premiums, except that, in lieu of the policy, Trustor may with Beneficiary's consent, deliver a certificate of the insurer, satisfactory to the Beneficiary in substance and in form, as to the issuance and effectiveness of the policy and the amount of coverage afforded thereby accompanied by a certified copy of such policy. Delivery of such policy of insurance shall constitute an assignment to Beneficiary of any returned premiums.

4. Should Trustor fail to provide insurance as above, Beneficiary may, but is not required to, procure insurance to protect its interests, and Beneficiary agrees to pay the costs of such insurance together with interest thereon.

C. TO PROTECT THE SECURITY OF THE DEED OF TRUST, TRUSTOR AGREES:

1. To keep the Property in good condition and repair, ordinary wear and tear excepted; to not permit or commit waste or impairment; after construction of the Project, not to remove or demolish the building thereon (except in connection with any rebuilding permitted pursuant to the Loan Documents, evidencing any loan that is senior in priority to the loan secured hereby); to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore or to bond over any liens to Beneficiary's reasonable satisfaction; to comply with all laws affecting the Property or requiring any alterations or improvements to be made thereon; and not to commit, or knowingly suffer or permit any act upon the Property in violation of law; the specific enumerations herein not excluding the general.
2. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee in connection therewith and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in connection with the security hereof in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
3. To pay: (a) before delinquency all taxes and assessments affecting the Property, including assessments on appurtenant water stock; (b) when due subject to the mutual agreements of the parties as below set forth, all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto; and (c) all allowable expenses of this Deed of Trust.
4. Should Trustor fail to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay reasonable expenses, employ counsel and pay reasonable attorney's fees.
5. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the rate provided in the Secured Note.
6. To operate the Property in accordance with all laws in all material respects, and not to engage in or knowingly permit any illegal activities thereon.

7. Subject to the rights of any senior lender, to assign to Beneficiary all proceeds of all insurance policies regarding the operation of the Property, and in the event that Trustor is paid any such proceeds, Trustor agrees that it is holding such proceeds as trustee for Beneficiary and to immediately pay them to Beneficiary.
8. Subject to the rights of any senior lender, any amounts paid to Beneficiary under any hazard policy may be applied by Trustor to rebuild the Property, and to use all available insurance proceeds therefore, provided that: (i) such proceeds are sufficient to rebuild the Property in a manner that provides adequate security to the Beneficiary for repayment of the loan, or if such proceeds are insufficient to provide adequate security then Trustor has funded any deficiency; (ii) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance proceeds for rebuilding under a construction escrow or similar arrangement, and such approval shall not be unreasonably withheld; and (iii) no material default then exists under this Deed of Trust, the Note, or the Project Agreement. If the casualty affects only part of the Property and total rebuilding is infeasible, then such proceeds may be used for partial rebuilding and partial repayment of the Project Agreement in a manner that provides adequate security to the Beneficiary for repayment of the remaining balance of the Project Agreement. The application or release shall not cure or waive any default or notice of default, or invalidate any act done pursuant to a Notice of Default. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date or amounts of any payments required by the Project Agreement or herein.

D. IT IS MUTUALLY AGREED:

1. That subject to the rights of any senior lender, any award of damages, direct or consequential, in connection with any condemnation or any other taking of the Property or any part thereof, or for any conveyance in lieu of condemnation, is hereby assigned and shall be paid to Beneficiary who may apply or release such monies received by it in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance. Trustor waives any legal or equitable interest in the award and any right to require an appointment of the award. Trustor agrees the Beneficiary is entitled to apply the award in accordance with this paragraph without demonstrating that its security has been impaired.
2. That subject to the rights of any senior lender, the amount paid to Beneficiary may be applied by Trustor to rebuild any portion of the Property taken by condemnation, and to use all available condemnation proceeds therefore, provided that: (i) such proceeds are sufficient to rebuild the Property in a manner that provides adequate security to the Beneficiary for repayment of the loan, or if such proceeds are insufficient to provide adequate security then Trustor has funded any deficiency; (ii) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance proceeds for major rebuilding under a construction escrow or similar arrangement, and such approval shall not be unreasonably withheld; and (iii) no material default then exists under the Loan Documents. If condemnation affects only part of the Property and total rebuilding is infeasible, then such proceeds may be used for partial rebuilding and partial repayment of the Project Agreement in a manner that provides

adequate security to the Beneficiary for repayment of the remaining balance of the Project Agreement. The application or release shall not cure or waive any default or notice of default, or invalidate any act done pursuant to a Notice of Default. Unless Beneficiary and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date or amounts of any payments required by the Project Agreement or herein.

3. That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
4. That at any time or from time to time, without liability therefore, upon written request of Beneficiary, presentation of this Deed of Trust and the Secured Note for endorsement, 30 days' written notice to Trustor and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may re-convey any part of the Property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
5. That upon written request of Beneficiary stating that all sums and obligations secured hereby have been paid, or satisfied, and upon surrender of this Deed of Trust and the Secured Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall re-convey, without warranty, the property then held hereunder. The grantee in such re-conveyance may be described as "the person or persons legally entitled thereto."
6. Notwithstanding anything to the contrary contained herein, Trustor hereby irrevocably assigns, gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of the Property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness hereby secured (subject to applicable notice and cure periods), enter upon and take possession of the Property or any part thereof in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less allowable expenses of operation, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of the Property, the collection of such rents, issues and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of defaults hereunder or invalidate any act done pursuant to such notice.
7. That upon default by Trustor in payment of any indebtedness secured hereby (subject to applicable notice and cure periods) or in performance of any agreement hereunder following a thirty (30) day cure period (or such longer period as may be reasonably necessary provided Trustor has commenced a cure within such thirty (30) day period and is diligently prosecuting such cure to completion), Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and notice of breach and of election to cause to be sold the Property, which notice Trustee shall

cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Secured Note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of breach, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, but with the written consent of Beneficiary, shall sell the Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement.

Trustee shall deliver to such purchaser its deed conveying the property so sold, but without covenant or warranty, express or implied. Subject to applicable law, any person, including Trustor, Trustee or Beneficiary as hereinafter defined, may purchase at such sale provided that the agent conducting the sale may not purchase at the sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including costs of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the rate provided in the Secured Note; all other sums then secured hereby; and the remainder, if any to the person or persons legally entitled thereto.

8. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the Office of the Recorder of the county or counties where the Property is situated, shall be conclusive proof or proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and document number where this Deed of Trust is recorded and the name and address of the Trustee.
9. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the neuter gender includes the feminine and/or masculine, and the singular number includes the plural.
10. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

11. Beneficiary acknowledges that Trustor has entered or will enter into the Regulatory Agreement. Notwithstanding anything to the contrary contained in this Deed of Trust or any related document, Beneficiary agrees that the lien created hereunder shall be subordinate in all respects to such Regulatory Agreement. Beneficiary acknowledges and agrees that, in the event of a foreclosure of its interest under the Deed of Trust or delivery by the Beneficiary of a deed in lieu thereof (collectively, a "Foreclosure"), the following rule contained in Section 42(h)(6)(E)(ii) of the Code shall apply:

For a period of three (3) years from the date of Foreclosure, with respect to any unit that had been regulated by the Regulatory Agreement, (i) none of the eligible tenants occupying those units at the time of Foreclosure may be evicted or their tenancy terminated (other than for good cause, including but not limited to, the tenants' ineligibility pursuant to Section 42 of the Code), (ii) nor may any rent be increased except as otherwise permitted under Section 42 of the Code.

E. THE PARTIES FURTHER AGREE:

1. Except as otherwise disclosed to Beneficiary in a policy of title insurance accepted by Beneficiary in connection with the Project Agreement, Trustor represents and warrants to Beneficiary that it holds an interest in the Property without any defects, liens, encumbrances (except tenant leases), easements, adverse claims or other limitations with respect to said interests or any options to purchase, agreements to sell, or other defects in title to the interest.
2. Any demand hereunder delivered by Beneficiary to Trustee for the foreclosure of the lien of this Deed of Trust may be not more than the sum of the following amounts: (i) The equity of Beneficiary in the Secured Note secured hereby being the difference between the then unpaid balance of principal and interest accrued and unpaid on the Secured Note on the date of such foreclosure sale and the then unpaid balance of principal and interest so accrued and unpaid on the Project Agreement as of the date of such foreclosure sale; plus (ii) The aggregate of all amounts theretofore paid by Beneficiary pursuant to the terms of this Deed of Trust prior to the date of such foreclosure sale for taxes and assessments, insurance premiums, delinquency charges, foreclosure costs, and any other sums advanced by Beneficiary pursuant to the terms of this Deed of Trust, to the extent the same were not previously repaid by Trustor to Beneficiary; plus (iii) the costs of foreclosure together with reasonable attorneys' fees and costs incurred by Beneficiary in enforcing this Deed of Trust or the Secured Note secured hereby as permitted by law.
3. Trustor covenants and agrees that Trustor shall perform and observe all obligations to be performed and observed by Trustor under this Deed of Trust securing the Secured Note and the Project Agreement.
4. The following Covenants, Nos. 1, 3, 4 (rate of interest is the default rate stated in the Secured Note), 5, 6, 7 (reasonable attorneys' fees in the amount provided for in the Secured Note), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust, provided, however, that the express covenants of this Deed of Trust shall control to the extent that the same are inconsistent with Covenant Nos. 1, 3, 4, 5 and 9 and, provided further, that

is received by Trustor, unless the event or default cannot be cured within such thirty-day period and Trustor or Trustor's Investor Member is diligently pursuing a cure:

- (i) Trustor fails to pay any amount due under or honor or perform any provision of, or there occurs a breach of or default under any obligation secured hereby;
- (ii) Trustor fails to perform or comply with any of the material terms of this Deed of Trust or any other document executed in connection with the Loan Agreement;
- (iii) The Property or any portion of it becomes property of a bankruptcy estate or the subject of any bankruptcy proceedings, or part of a decedent's estate, or there occurs a petition for the appointment of any trustee, receiver, or liquidator of any material part of the Property;
- (iv) Trustor defaults on any indebtedness secured by a Deed of Trust or security agreement which is either prior or subordinate to the lien of this Deed of Trust which is not cured within the applicable cure period; or
- (v) Any taking by eminent domain or a conveyance as a result thereof unless the entire award is paid to Beneficiary or used to rebuild the Property as provided above.

2. Beneficiary shall give the Managing Member and Investor Member written notice of any default under the Project Agreement, and the cure periods shall commence on the effective date of any such notice. Such notice shall be sent to the following:

Trustor: minnie st. 2020 LLC
234 Shelter Valley Drive
Kalispell, Montana 59901

With a copy to: Coats Rose, P.C.
365 Canal Street, Suite 800
New Orleans, Louisiana 70130
Attn: A. Kelton Longwell

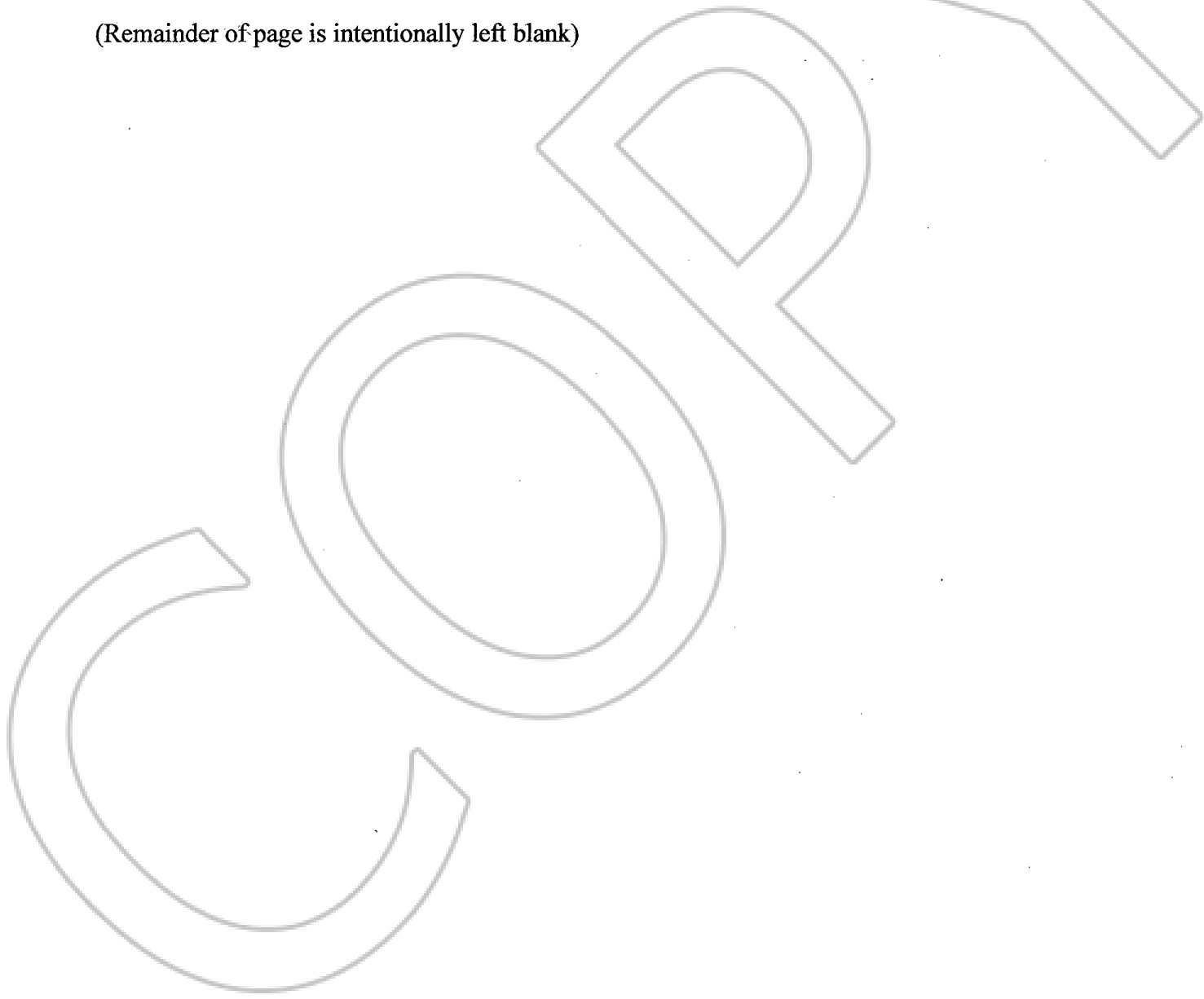
In the event of a default, following notice to Trustor, and any applicable cure period, Beneficiary may, in any order it chooses, undertake any one or combination of the following remedies, and all of the remedies are cumulative and in addition to any other remedy given hereunder or under the laws or principles of equity of Nevada:

- (i) Declare a default under the Project Agreement or any other obligation secured hereby or any other agreement executed in connection with Project Agreement and pursue any remedy available thereunder;

- (ii) Invoke any of its rights hereunder, including, without limitation, the collection of rents, taking any action to protect its security, and exercising the power of sale of the real property; or
- (iii) Have a receiver appointed as a matter of right without regard to the sufficiency of the Property or any other security or guaranty and without any showing contemplated by NRS 107.100

Beneficiary hereby acknowledges and agrees that any cure made or tendered by the Investor Member shall be deemed a cure made or tendered by Trustor hereunder and shall be accepted or rejected on the same basis as if made or tendered by Trustor.

(Remainder of page is intentionally left blank)



IN WITNESS WHEREOF, this Deed of Trust has been duly executed by the Trustor on the first day hereinbefore written.

TRUSTOR: minnie st. 2020 LLC,
A Nevada limited liability company

By: Minnie St. 2020 Managing Member, LLC
Its: Managing Member


By American Covenant Senior Housing Foundation, Inc.
Its: Manager

By: 
Name: Gerald M. Fritts
Its: Executive Director

STATE OF ~~NEVADA~~)
Montana (Mg)) ss
COUNTY OF)
Flathead

On this 11th day of March, 2022, before me Gerald M. Fritts, Executive Director of American Covenant Senior Housing Foundation, Inc., the manager of Minnie St. 2020 Managing Member, LLC, a Nevada limited liability company, the managing member of minnie st. 2020 LLC, a Nevada limited liability company, personally appeared before me a Notary Public in and for said County and State, and are known to me to be the people described in and who executed the within and foregoing instrument, and who acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said Lincoln County, the day and year first above written.

Notary Public  My commission expires Oct 27, 2024
MEGHAN GLAZE, NOTARY PUBLIC

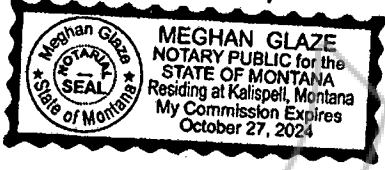
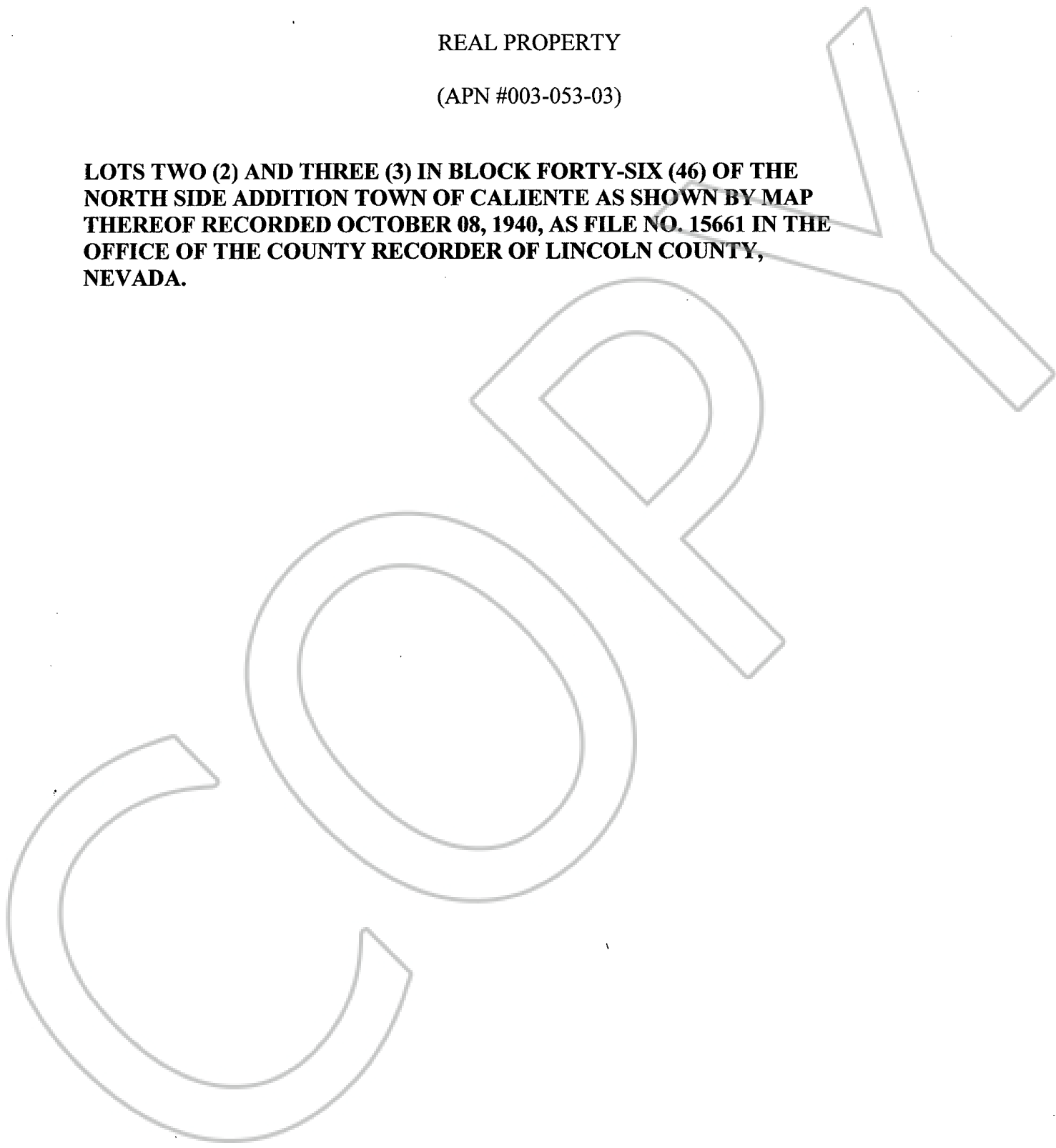


EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

REAL PROPERTY

(APN #003-053-03)

LOTS TWO (2) AND THREE (3) IN BLOCK FORTY-SIX (46) OF THE NORTH SIDE ADDITION TOWN OF CALIENTE AS SHOWN BY MAP THEREOF RECORDED OCTOBER 08, 1940, AS FILE NO. 15661 IN THE OFFICE OF THE COUNTY RECORDER OF LINCOLN COUNTY, NEVADA.



**EXHIBIT B
LOANS**

1. Bridge Loan from Bonneville Mortgage Company in an original principal amount of approximately \$1,300,000
2. Permanent Loan from Bonneville Mortgage Company in an original principal amount of approximately of \$1,550,000
3. Subordinate Loan from Oak Leaf Community Development in an original principal amount of approximately \$70,000

COPY