

PROMISSORY NOTE

\$600,000

April 27, 2022
San Diego, California

1. FOR VALUE RECEIVED, the undersigned (collectively, Borrower) promises to pay **Sally Seller** or order (collectively, Note Holder) the principal sum of **Six Hundred Thousand Dollars (\$600,000)** with interest thereon from May 1, 2022 on the unpaid principal at the rate of **six and five-tenths (6.5%)** per annum as follows:
 - a. Borrower shall make monthly payments of Three-Thousand Seven-Hundred Ninety-Two and 41/100 (\$3,792.41). The installment payments shall begin on the 1st day of June, 2022, and shall continue on the 1st day of each month succeeding. All principal and interest payments shall be made in lawful money of the United States.
 - b. The entire principal amount outstanding, and accrued interest thereon, shall be due and payable on June 1, 2037.
 - c. Principal and interest shall be payable at 123 Smith Street, San Diego, California, 92123 or such other place as the Note Holder may designate.
2. Borrower shall pay to the Note Holder a late charge of **ten percent (10%)** of any payment not received by the Note Holder within **ten (10) days** after the payment is due.
3. Payments received for application to this Note shall be applied first to the payment of late charges, if any, second to the payment of accrued interest at the rate specified below, if any, third, to accrued interest first specified above, and the balance applied to reduction of the principal amount hereof.
4. If any payment required by this Note is not paid when due, or upon occurrence of any of the following events: insolvency of Borrower or appointment of a receiver of the operations of Borrower, assignment for the benefit of creditors by Borrower, or the commencement of proceedings under any bankruptcy or insolvency laws by or against Borrower, or if any default under any Deed of Trust or Real Estate Mortgage securing this Note occurs, at the option of Note Holder and upon notice to Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable (Acceleration); and the indebtedness shall bear interest at the default rate of **ten percent (10%)** per annum from the date of default.
5. Attorneys' Fees and Costs: Borrower shall pay all costs incurred by Note Holder in collecting sums due under this Note after a default, including reasonable attorneys' fees, whether or not suit is brought. If Borrower or Note Holder sues to enforce this Note or obtain a declaration of its rights hereunder, the prevailing party in the proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred in the proceeding from the non-prevailing party.
6. Borrower may prepay the principal amount outstanding under this Note, in whole or in part, at any time without penalty. Any partial payment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent payments or change the amount of such payments.

7. Borrower and all other makers, sureties, guarantors, and endorsers hereby waive presentment, notice of dishonor and protest, and they hereby agree to any extensions of time of payment and partial payments before, at, or after maturity. This Note shall be the joint and several obligation of Borrower and all other makes sureties, guarantors and endorsers, and their successors and assigns.
8. Any notice to Borrower provided for in this Note shall be in writing and shall be given and be effective upon (a) delivery to the Borrower or (b) mailing such notice by 1st-class registered or certified U.S. mail, return receipt requested, addressed to Borrower at Borrower's address stated below, or to such other address as Borrower may designate by notice to the Note Holder. All notices to the Note Holder shall be in writing and shall be given and be effective upon (a) delivery to Note Holder or (b) by mailing such notice by 1st-class registered or certified U.S. mail, return receipt requested, to the Note Holder at the address stated in the first paragraph of this Promissory Note, or to such other address as Note Holder may designate by notice to Borrower.
9. No amendment, modification, or waiver of any provision of this Note, or consent of any departure by the Borrower from the terms of this Note, shall be effective unless the same is in writing signed by the Note Holder.
10. No failure to exercise, and no delay in exercising, any right under this note shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Note or otherwise operate as a waiver thereof. Each and every right under this Note or by law or in equity shall be deemed cumulative and such remedies may be exercised from time to time concurrently or consecutively.
11. The indebtedness evidenced by this Note is secured by a 1st-position Real Estate Mortgage or Deed of Trust of even date herewith, and, until released, said Real Estate Mortgage or Deed of Trust contains additional rights of Note Holder. Such rights may cause acceleration of the indebtedness evidenced by this Note. Reference is made to said Real Estate Mortgage or Deed of Trust for such additional items.

Bob Buyer

Betty Buyer

Borrower's address: 456 Jones Street, San Diego, California, 92456

NOTE HOLDER: KEEP THIS NOTE IN A SAFE PLACE. THE ORIGINAL OF THIS NOTE MUST BE EXHIBITED IN ORDER TO RELEASE THIS NOTE.