

## LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made as of July 1, 2020 (the "Date of Agreement") by and between FAMILY SERVICE ASSOCIATION, a California non-profit corporation ("Borrower" or "Trustor") and the CITY OF MORENO VALLEY, a municipal corporation (the "City" or "Beneficiary").

### R E C I T A L S

A. Borrower is a non-profit corporation which operates child care services within the corporate limits of City at 24693 Ironwood Avenue, Moreno Valley (the "FSA MV Site"). Borrower has been engaged in the process of making improvements to the building located at the FSA MV Site (the "FSA MV Building"). Borrower has become informed that additional improvements will be required to be made to the FSA MV Building in order for the building to be compliance with ADA requirements. Effecting the needed improvements to the FSA MV Building has limited in the short term the ability of Borrower to obtain grants which are typically made available to Borrower from sources other than City associated with the operations of Borrower. Borrower is also the owner of property located at 5317 Mission Boulevard, Jurupa Valley, California (the "FSA Jurupa Valley Property"). Borrower has asked that City provide a loan (the "City Loan") in the original principal amount of Five Hundred Thousand Dollars (\$500,000.00) (the "City Loan Amount") to be repaid on or before December 31, 2020 (the "Maturity Date"), with the loan to accrue interest at the rate of three percent (3%) simple per annum. Borrower anticipates that it will have sufficient funds on hand to fully repay in full the City Loan on or before the Maturity Date.

B. Borrower agrees to provide as real property security for repayment of the City Loan a deed of trust against the FSA MV Site and a deed of trust against the FSA Jurupa Valley Property. Borrower agrees and acknowledges that the premium for title insurance as well as recording costs will be added to the amount otherwise payable under the City Loan, and shall be repaid by Borrower as part of the City Loan.

NOW, THEREFORE, the parties agree as follows:

1. City Loan. Within ten (10) days after the Date of Agreement, Borrower shall execute and deliver to City (or, if City so informs Borrower, an escrow holder designated by City under Section 3 of this Agreement) each of the following: (i) a promissory note by Borrower payable to City in the original principal amount of Five Hundred Thousand Dollars (\$500,000.00) (the "City Loan Amount") in the form of Attachment No. 1 hereto (the "City Note"); (ii) a deed of trust securing repayment of the City Note, which deed of trust shall be in the form of Attachment No. 2 hereto and shall encumber the FSA MV Site (the "City Deed of Trust"); and (iii) a deed of trust providing additional security for repayment of the City Note, which deed of trust shall be in the form of Attachment No. 3 and shall encumber the FSA Jurupa Valley Property (the "Additional City Deed of Trust"). City designates its City Manager to administer this Agreement on behalf of City; whenever reference is made herein to City Manager, such reference shall be deemed to refer to the City Manager of the City and his or her designees.

2. Representations and Warranties by Borrower. Borrower represents and warrants to City as follows:

(a) Each of the statements contained in the Recitals hereof is true and correct;

(b) Borrower has had an opportunity to have this Agreement reviewed by legal counsel of its choosing prior to execution of this Agreement by Borrower; and

(c) The person or persons executing this Agreement, the City Note, the City Deed of Trust, and the Additional City Deed of Trust on behalf of Borrower have authority to bind and act on behalf of Borrower.

Borrower agrees and acknowledges that City is entering into this Agreement in reliance upon the representations and warranties of Borrower as contained in this Section 2 and that but for such representations and warranties, City would not enter into this Agreement.

3. Escrow; Title Insurance. City and Borrower will endeavor to implement the origination of the City Loan, the delivery of the City Note, and the recording of the City Deed of Trust and the Additional City Deed of Trust without necessity of use of an escrow. Accordingly, Borrower shall, within one (1) working day of the Date of Agreement, cause Ticor Title Company of California, Irvine office, or another mutually acceptable title insurer (the "Title Insurer") to deliver to City a preliminary title report as to each of the FSA MV Site and the FSA Jurupa Valley Property (the "Preliminary Title Reports"); the provision of the Preliminary Title Reports is a condition of closing for the benefit of City and may be waived by City at the City Manager's sole and absolute discretion. Promptly upon receipt, City shall evaluate the Preliminary Title Reports for the purpose of determining whether, as title is presently situated, the recording of the City Deed of Trust and the Additional City Deed of Trust will, in the judgment of the City Manager, afford the City adequate security as to the City Loan. Ticor Title Borrower shall, within three (3) working days of the Date of Agreement, deliver to City each of the City Note, the City Deed of Trust, and the City Additional Deed of Trust executed by Borrower with signatures notarized as to each of the City Deed of Trust and the City Additional Deed of Trust. City will advise Borrower as to whether the condition of title as described in the Preliminary Title Reports is acceptable to City. In addition, Borrower will arrange for the Title Insurer to deliver to City a reasonable time following the recording of the City Deed of Trust and the Additional City Deed of Trust an ALTA lender's policy of title insurance (as to each such property) ensuring the beneficial interest of City under each of the City Deed of Trust and the Additional City Deed of Trust. The cost of the premium for such title insurance policies shall be added to the amount repayable under the City Note.

Following the receipt of a commitment by the Title Insurer that it will deliver to City ALTA lender's policies of title insurance acceptable to the City Manager, but not earlier than one (1) business day after the recording among the official land records of the County Recorder of the County of Riverside of each of the City Deed of Trust and the Additional City Deed of Trust and receipt of the fully executed City Note, City shall disburse to Borrower the original principal amount of the City Loan. The disbursement of such funds is a matter with which the Title Insurer need not be concerned.

In the event Borrower determines that it is necessary to utilize an escrow in connection with this transaction, Borrower will cause the opening of an escrow with Ticor Title Company of California, Irvine office or another mutually acceptable escrow holder (in such capacity, "Escrow Holder") to act as escrow holder for purposes of implementing Sections 1 and 3 of this Agreement. City will thereupon

prepare escrow instructions to implement this Section 3. If an escrow is utilized, all recording costs, escrow fees, and charges shall be borne by Borrower by adding such amounts to those amounts due and payable under the City Note.

4. Due on Sale, Transfer or Refinancing. Borrower agrees to notify the City not less than thirty (30) days prior to (i) the sale or transfer of the FSA MV Site or the FSA Jurupa Valley Property, or (ii) any refinancing of any lien on the FSA MV Site or the FSA Jurupa Valley Property. The City Loan and all interest accrued thereon shall be due and payable upon (i) such sale or transfer, (ii) the refinancing of any lien against the FSA MV Site or the FSA Jurupa Valley Property, or (iii) Borrower is in default of any obligation pursuant to this Agreement.

5. Indemnification. The Borrower shall defend, indemnify and hold harmless the City and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the FSA MV Site, the FSA Jurupa Valley Property, or this Agreement. The Borrower shall remain fully obligated for the payment of property taxes and assessments related to the FSA MV Site and the FSA Jurupa Valley Property.

6. Time of the Essence. Time is of the essence hereof.

7. Defaults. Failure or delay by either party to perform any term or provision of this Agreement which is not cured within thirty (30) days after receipt of notice from the other party constitutes a default under this Agreement; provided, however, if such default is of the nature requiring more than thirty (30) days to cure, the defaulting party shall avoid default hereunder by commencing to cure within such thirty (30) day period and thereafter diligently pursuing such cure to completion. The party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay, and shall complete such cure, correction or remedy with diligence.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

8. Remedies. City shall be entitled to all legal and equitable remedies available under the law upon the default of the terms of this Agreement by Borrower.

9. Non Waiver. Failure to exercise any right City may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

10. Further Assurances. The Borrower shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form, as the City shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Agreement.

11. Governing Law. The Borrower hereby agrees to comply with all ordinances, rules, and regulations of City. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any City ordinance, rule, or regulation. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Riverside, State of California.

12. Amendment of Agreement. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the Borrower and City.

13. City May Assign. City may, at its option, assign its right to receive repayment of the loan proceeds without obtaining the consent of the Borrower.

14. Borrower Assignment Prohibited. In no event shall Borrower assign or transfer any portion of this Agreement without the prior express written consent of the City, which consent may be given or withheld in the City's sole discretion. No assumption of the loan made by City as evidenced by the City Note, or the loan evidenced by the City Note, shall be permitted at any time. This Section 14 shall not prohibit the City's right to assign all or any portion of its rights to the loan proceeds hereunder. Any loan made by City to Borrower shall not be assumable.

15. Relationship of Borrower and City. The relationship of Borrower and City pursuant to this Agreement is that of debtor and creditor and shall not be, or be construed to be a joint venture, equity venture, partnership, or other relationship.

16. Notices. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following address:

To Borrower:                      Family Service Association  
                                                 21250 Box Springs Road  
                                                 Moreno Valley, California 92257

To City:                                      City of Moreno Valley  
                                                 14177 Frederick Street  
                                                 Moreno Valley, California 92252  
                                                 Attention: City Manager

17. Attorneys' Fees and Costs. Should either of the parties to this Agreement incur attorneys' fees in seeking the enforcement of this Agreement, whether or not a final court judgment is entered, the prevailing party shall be entitled to reimbursement of its reasonable attorneys' fees and litigation costs, including without limitation expert witness fees, by the other party.

18. No Third Party Beneficiaries. There shall be no third party beneficiaries of this Agreement.

19. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the City and the Borrower concerning all or any part of the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Date of Agreement as set forth above.


**“BORROWER”**

By:  \_\_\_\_\_  
Family Service Association  
A California non-profit corporation

**“CITY”**

**CITY OF MORENO VALLEY**, a municipal corporation

By:  \_\_\_\_\_  
Mike Lee  
Its: Interim City Manager

APPROVED AS TO FORM  
DATE 6-23-20  
BY  \_\_\_\_\_  
CITY ATTORNEY  
CITY OF MORENO VALLEY

**ATTACHMENT NO. 1**

**CITY NOTE**

**(PROMISSORY NOTE SECURED BY DEED OF TRUST)**

\$500,000.00 (“City Loan Principal Amount”)

Moreno Valley, California

July 1, 2020 (“New City Loan Date”)

Property Address: 24693 Ironwood Avenue, Moreno Valley, California, and 5317 Mission Boulevard, Jurupa Valley, California (collectively, the “Property”)

Moreno Valley, California 92551  
City State Zip Code

**FOR VALUE RECEIVED**, the undersigned (“Maker”) promises to pay to the City of Moreno Valley (“Holder” or “City”) at 14177 Frederick Street, Moreno Valley, California 92552-0805, or at such other address as Holder may direct from time to time in writing, the sums specified in the terms and provisions of this Promissory Note as the “City Note Amount”.

**1. Loan Agreement.** This City Note (this “City Note”) is made and delivered pursuant to and in implementation of the Loan Agreement entered by and between the Holder and the Maker dated as of July 1, 2020 (“Agreement”), a copy of which is on file as a public record with the Holder. The Agreement is incorporated herein by this reference. The sums due and payable pursuant to the terms and provisions of this City Note consist of the amount of Five Hundred Thousand Dollars (\$500,000.00), together without interest thereon (collectively, the “City Note Amount”) as set forth in Section 2 below.

**2. Interest Rate.** The Senior Loan Amount shall bear interest at the rate of three percent (3.00%) simple per annum from July 1, 2020 (the “Initial Date”) until December 31, 2020 (the “Maturity Date”); provided that if an event of default or an event of acceleration occurs as set forth in the Agreement, interest shall commence to accrue at the rate equal to the lesser of (aa) ten percent (10%) simple per annum or (bb) the highest rate of interest that may be charged by a redevelopment or successor agency. In addition, Maker shall include as additions to the original principal amount hereof all costs, premiums, and charges incurred by City in connection with the Agreement as more fully referenced therein.

**3. Payment; Time of Payment.** The City Note Amount, in its entirety and including interest, shall be paid by Maker to City on or before the Maturity Date unless such amounts become due and payable sooner because of acceleration, in which case they shall be due and payable in full on the date of such acceleration.

**4. Acceleration.** The whole of the City Note Amount shall become due and be immediately payable to the Holder by the Maker upon the occurrence of the sale or transfer of the Property or any portion thereof.

**5. Security for City Note.** This City Note shall be secured by two deeds of trust, one encumbering the property located at 24693 Ironwood Avenue, Moreno Valley, California (the “City

Deed of Trust”) and the other encumbering that property located at 5317 Mission Boulevard, Jurupa Valley, California (the “Additional City Deed of Trust”), executed by Maker, as trustor, in favor of Holder, as beneficiary.

**6. Prepayment of City Note.** Maker may prepay this City Note to Holder prior to the Maturity Date, provided that any prepayment must be in full and not in part.

**7. Holder May Assign.** Holder may, at its option, assign this City Note or its right to receive payment under this City Note without necessity of obtaining the consent of the Maker.

**8. Maker Assignment Prohibited.** In no event shall Maker assign or transfer any portion of this City Note and/or the Agreement without the prior express written consent of the Holder.

**9. Attorneys’ Fees and Costs.** In the event that any action is instituted to enforce payment under this City Note, the parties agree the non-prevailing party shall be responsible for and shall pay to the prevailing party all court costs and all attorneys’ fees incurred in enforcing this City Note.

**10. Amendments.** This City Note may not be modified or amended except by an instrument in writing expressing such intention executed by the parties sought to be bound thereby, which writing must be so firmly attached to this City Note so as to become a permanent part thereof.

**11. Maker’s Waivers.** Maker waives any rights to require the Holder to: (a) demand payment of amounts due (known as “presentment”), (b) give notice that amounts due have not been paid (known as “notice of dishonor”), and (c) obtain an official certification of nonpayment (known as “protest”).

**12. Notices.** Any notice, demand, approval, consent, or other communication required or desired to be given under this City Note shall be in writing and shall be either personally served, sent by telecopy, mailed in the United States mails, certified, return receipt requested, postage prepaid, or sent by other commercially acceptable means, addressed to the party to be served with the copies indicated below, at the last address given by that party to the other under the provisions of this Section. All communications shall be deemed delivered at the earlier of actual receipt, the next business day after deposit with Federal Express or other overnight delivery service or two (2) business days following mailing as aforesaid, or if telecopied, when sent, provided a copy is mailed or delivered as provided herein:

**To Maker:**

Family Service Association  
21250 Box Springs Road  
Moreno Valley, California 92257

**To City:**

City of Moreno Valley  
14177 Frederick Street  
Moreno Valley, California 92552-0805  
Attention: City Manager

**13. No Implied Waivers.** No previous waiver and no failure or delay by Lender in acting with respect to the terms of this City Note shall constitute a waiver of any breach, default, or failure of condition under this City Note. A waiver of any term of this City Note must be made in writing and shall be limited to the express written terms of such waiver.


**14. Miscellaneous.** If this City Note is executed by more than one person as Maker, the obligations of each such person shall be joint and several. Time is of the essence with respect to every provision hereof. This City Note shall be construed and enforced in accordance with the laws of the State of California, and all persons and entities in any manner obligated under this City Note consent to the jurisdiction of any federal or state court within the State of California having proper venue and also consent to service of process by any means authorized by California or federal law. If any provision hereof is found to be invalid or unenforceable by a court of competent jurisdiction, the invalidity thereof shall not affect the enforceability of the remaining provisions of this City Note. This City Note shall be binding upon Maker and its heirs, successor and assigns and inure to the benefit of City and its successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations under this City Note without the prior written consent of City. Any attempted assignment or transfer by Maker in contravention of the foregoing sentence shall be null and void.

**15. Usury Law Compliance.** It is Maker's and City's intention to comply with any applicable usury law. If, for any reason whatsoever, fulfillment of any provision hereof shall be prohibited by law, the obligation to be fulfilled shall be reduced to the maximum amount so prohibited, and if for any reason City should have received as interest an amount which would exceed the highest lawful rate, such amount which would be in excess of the permitted interest shall, at Lender's option, be applied to the reduction of principal of this City Note and not to the payment of interest, or be refunded to Maker. All agreements between Maker and City are expressly limited so that in no contingency or event whatsoever shall the amount paid or agreed to be paid to City for the use, forbearance or detention of money under this City Note exceed the maximum permissible under applicable law. This provision shall control over any other provision in this City Note or in any other agreement between Maker and City related hereto.

**16. Successors Bound.** This City Note shall be binding upon the parties hereto and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, Maker has executed this Note as of the date set forth below.

**MAKER:**

By:   
Family Service Association, a California non-profit corporation

**ATTACHMENT NO. 2**

**CITY DEED OF TRUST**

**DEED OF TRUST WITH ASSIGNMENT OF RENTS**

WHEN RECORDED MAIL TO:

City of Moreno Valley  
14177 Frederick Street  
Moreno Valley, California 92552-0805  
Attention: City Manager

---

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST WITH ASSIGNMENT OF RENTS  
(SHORT FORM)**

This DEED OF TRUST, made as of July 1, 2020 between Family Service Association, a California non-profit corporation ("Borrower" or "Trustor") whose address is 24693 Ironwood Avenue, Moreno Valley, California 92257, **TICOR TITLE COMPANY OF CALIFORNIA**, a California corporation, herein called TRUSTEE, and the **CITY OF MORENO VALLEY**, a public body, corporate and politic, herein called BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the City of Moreno Valley, County of Riverside, State of California, described as:


SEE ATTACHMENT NO. 1 ATTACHED HERETO AND MADE A PART HEREOF.

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 for the purpose of securing: (1) payment of the sum of Five Hundred Thousand Dollars (\$500,000.00) according to the terms of a promissory note of even date herewith designated as the "City Note" made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof pursuant to an unrecorded Loan Agreement between Trustor and Beneficiary as of July 1, 2020 (the "Agreement"; a copy of the Agreement is on file with Beneficiary as a public record and is deemed incorporated herein by reference. All capitalized terms not defined herein shall have the meanings established therefor under the Agreement unless the context requires otherwise) (2) the performance of each agreement of Trustor incorporated by reference or contained herein, the default under any of which shall constitute a default hereunder, and (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust. Any violation of one or more of the foregoing referenced items shall constitute a violation under this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Riverside County on August 18, 1964 at Book 3778 commencing at page 347 shall inure to and bind

the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B thereof (identical in all counties) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

  
\_\_\_\_\_  
Family Service Association, a California non-profit  
corporation

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Riverside )

On June 19, 2020, before me, Elizabeth Gonzales, Notary Public,  
(Print Name of Notary Public)

personally appeared Judith Wood

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

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

WITNESS my hand and official seal.



Elizabeth Gonzales  
Signature of Notary Public

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

- Partner(s)       Limited       General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

Signer is representing:  
Name Of Person(s) Or Entity(ies)  
\_\_\_\_\_  
\_\_\_\_\_

**DESCRIPTION OF ATTACHED DOCUMENT**

\_\_\_\_\_  
Title Or Type Of Document

\_\_\_\_\_  
Number Of Pages

\_\_\_\_\_  
Date Of Documents

\_\_\_\_\_  
Signer(s) Other Than Named Above

**CERTIFICATE OF ACCEPTANCE**


This is to certify that a beneficial interest in real property conveyed under the foregoing deed of trust by Family Service Association, a California non-profit corporation who holds title as his sole and separate property, as to the following property:


1.09 ACRES NET IN PAR 1 PM 137/030 PM 20964 SubdivisionName  
PM 20964 Acres 001.09 NET LotType Parcel Parcel 1 RecMapType  
Parcel Map MapPlatB 137 MapPlatP 030

APN: 481-341-032

is hereby accepted by the City Manager of the City of Moreno Valley pursuant to authority conferred by Resolution No. 2020-01 of the City Council of the City of Moreno Valley adopted on January 21, 2020, and the City of Moreno Valley consents to recordation thereof by its duly authorized officer.

CITY OF MORENO VALLEY,  
a municipal corporation

By:   
Mike Lee  
Interim City Manager

APPROVED AS TO FORM  
DATE 6-23-20  
BY   
CITY ATTORNEY  
CITY OF MORENO VALLEY

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness accuracy or validity of that document.

State of California

County of Riverside

On June 23, 2020 before me, Mayra Gonzalez, Notary Public,

(Here insert name and title of the officer)

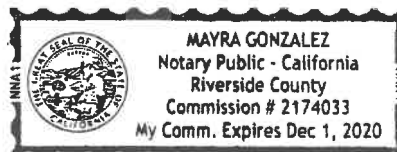
personally appeared Michael Lee, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

(Notary Seal)

WITNESS my hand and official seal.

Mayra Gonzalez  
Signature of Notary Public



## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED

Deed of Trust with Assignment of Rents for  
FSA Loan Agreement

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e., certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

### CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer  
Interim City Manager  
(Title)
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they; -is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

**EXHIBIT A**  
**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

1.09 ACRES NET IN PAR 1 PM 137/030 PM 20964 SubdivisionName PM 20964 Acres 001.09 NET  
LotType Parcel Parcel 1 RecMapType Parcel Map MapPlatB 137 MapPlatP 030

APN: 481-341-032

## DO NOT RECORD

The following is a copy of Subdivisions A and B of the fictitious Deed of Trust recorded in each county in California as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

A. To protect the security of this Deed of Trust, Trustor agrees:

(1) To keep said property in good condition and repair; not to remove or demolish any building thereon; 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 therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

(4) To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this trust.

Should Trustor fail to make any payment or 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 thereof, 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 said 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 necessary expenses, employ counsel and pay his reasonable fees.

(5) To Pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the

obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

(1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such monies received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said 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.

(4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said 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 reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance or any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

(5) That as additional security, Trustor hereby 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 said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said 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 default hereunder or invalidate any act done pursuant to such notice.

(6) That upon default Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said 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 default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said 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 said 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 any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost 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 amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(7) 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 said property is situated, shall be conclusive proof of 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 page where this Deed is recorded and the name and address of the new Trustee.

(8) That this Deed 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 pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(9) That Trustee accepts this Trust when this Deed, 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.

**ATTACHMENT NO. 3**

**ADDITIONAL CITY DEED OF TRUST**

**DEED OF TRUST WITH ASSIGNMENT OF RENTS**

WHEN RECORDED MAIL TO:

City of Moreno Valley  
14177 Frederick Street  
Moreno Valley, California 92552-0805  
Attention: City Manager

---

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST WITH ASSIGNMENT OF RENTS  
(SHORT FORM)**

This DEED OF TRUST, made as of July 1, 2020 between Family Service Association, a California non-profit corporation ("Borrower" or "Trustor") whose address is 5317 Mission Boulevard, Jurupa Valley, California 92509, **TICOR TITLE COMPANY OF CALIFORNIA**, a California corporation, herein called TRUSTEE, and the **CITY OF MORENO VALLEY**, a public body, corporate and politic, herein called BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the City of Moreno Valley, County of Riverside, State of California, described as:

SEE ATTACHMENT NO. 1 ATTACHED HERETO AND MADE A PART HEREOF.

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 for the purpose of securing: (1) payment of the sum of Five Hundred Thousand Dollars (\$500,000.00) according to the terms of a promissory note of even date herewith designated as the "City Note" made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof pursuant to an unrecorded Loan Agreement between Trustor and Beneficiary as of July 1, 2020 (the "Agreement"; a copy of the Agreement is on file with Beneficiary as a public record and is deemed incorporated herein by reference. All capitalized terms not defined herein shall have the meanings established therefor under the Agreement unless the context requires otherwise) (2) the performance of each agreement of Trustor incorporated by reference or contained herein, the default under any of which shall constitute a default hereunder, and (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust. Any violation of one or more of the foregoing referenced items shall constitute a violation under this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Riverside County on August 18, 1964 at Book 3778 commencing at page 347 shall inure to and bind

the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B thereof (identical in all counties) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.



---

Family Service Association, a California non-profit  
corporation

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Riverside )

On June 19, 2020, before me, Elizabeth Gonzales, Notary Public,  
(Print Name of Notary Public)

personally appeared Judith Wood

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

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

WITNESS my hand and official seal.



Elizabeth Gonzales  
Signature of Notary Public

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

- Partner(s)       Limited       General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

Signer is representing:  
Name Of Person(s) Or Entity(ies)  
\_\_\_\_\_  
\_\_\_\_\_

**DESCRIPTION OF ATTACHED DOCUMENT**

\_\_\_\_\_  
Title Or Type Of Document

\_\_\_\_\_  
Number Of Pages

\_\_\_\_\_  
Date Of Documents

\_\_\_\_\_  
Signer(s) Other Than Named Above

**CERTIFICATE OF ACCEPTANCE**

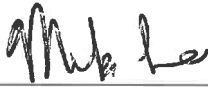
This is to certify that a beneficial interest in real property conveyed under the foregoing deed of trust by Family Service Association, a California non-profit corporation who holds title as his sole and separate property, as to the following property:


POR LOTS 15 & 16 MB 013/027 RUBIDOUX VISTA TR Lot 15  
SubdivisionName RUBIDOUX VISTA TR LotType Lot RecMapType  
Map Book MapPlatB 013 MapPlatP 027 PortionLot Portion Lot 16  
LotType Lot PortionLot Portion

APN: 179-260-004

is hereby accepted by the City Manager of the City of Moreno Valley pursuant to authority conferred by Resolution No. 2020-01 of the City Council of the City of Moreno Valley adopted on January 21, 2020, and the City of Moreno Valley consents to recordation thereof by its duly authorized officer.

CITY OF MORENO VALLEY,  
a municipal corporation

By:   
\_\_\_\_\_  
Mike Lee  
Interim City Manager

APPROVED AS TO FORM  
DATE 6-23-20  
BY   
\_\_\_\_\_  
CITY ATTORNEY  
CITY OF MORENO VALLEY

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness accuracy or validity of that document.

State of California

County of Riverside

On June 23, 2020 before me, Mayra Gonzalez, Notary Public,

(Here insert name and title of the officer)

personally appeared Michael Lee, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

(Notary Seal)

WITNESS my hand and official seal.

Mayra Gonzalez  
Signature of Notary Public



## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED

Deed of Trust with Assignment of Rents for  
FSA Loan Agreement

### CAPACITY CLAIMED BY THE SIGNER

- Individual(s)  
 Corporate Officer  
Interim City Manager  
(Title)  
 Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e., certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, ~~is/are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

**EXHIBIT A**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

POR LOTS 15 & 16 MB 013/027 RUBIDOUX VISTA TR Lot 15 SubdivisionName RUBIDOUX VISTA  
TR LotType Lot RecMapType Map Book MapPlatB 013 MapPlatP 027 PortionLot Portion Lot 16  
LotType Lot PortionLot Portion

APN: 179-260-004