



DEED OF TRUST

(County of Placer Workforce Housing Preservation
Program)

ADMINISTRATIVE COVER SHEET

(Remove Upon Completion)

CHECKLIST

- _____ Date of Document, p. 1, first paragraph
- _____ Declarant's Name, p. 1, first paragraph
- _____ Trustee's Name, p. 1, first paragraph
- _____ Declarant's Address, p. 1 first paragraph
- _____ Address of Residence Purchased, p. 1, second paragraph
- _____ Amount of Agency Loan, p. 2, third paragraph
- _____ First Lender's Name, p. 2, Section 1
- _____ Signature, p. 9
- _____ Notary
- _____ Include Exhibit A, Property Description

RECORDING REQUESTED BY:

Placer County Community Development
Resource Agency
AND WHEN RECORDED MAIL TO:

**Placer County
CDRA Housing Manager
3091 County Center Drive, Suite 140
Auburn CA 95603**

ESCROW NO. _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE _____



NOTE TO DECLARANT:

THIS DOCUMENT CONTAINS PROVISIONS RESTRICTING ASSUMPTIONS

DEED OF TRUST AND SECURITY AGREEMENT

(County of Placer Workforce Housing Preservation Program)

This Deed of Trust and Security Agreement ("Deed of Trust") made this ____ day of _____ 20____, among the declarant(s), _____ ("Declarant"), whose address is _____, the trustee _____ ("Trustee"), and the County of Placer, a political subdivision of the State of California ("County") as Beneficiary.

The Declarant, in consideration of the promises herein recited and the trust herein created, irrevocably grants, transfers, conveys and assigns to Trustee, in trust, with power of sale, the property located in the County of Placer, State of California, described in the attached Exhibit A (the "Property").

TOGETHER with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances, and all fixtures now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by this Deed of Trust; and

TOGETHER with all articles of personal property or fixtures now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the Property which are necessary for the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, and all renewals or replacements thereof or articles in substitution therefore, whether or not the same are, or shall be attached to said building or buildings in any manner, and all of the foregoing, together with the Property, is herein referred to as the "Security"; and

To have and to hold the Security together with acquittances to the Trustee, its successors and assigns forever; and

TO SECURE to the County the performance of the covenants and agreements of Declarant contained in that certain Use Deed Restriction (the "Deed Restriction") executed by and between the Declarant and the County as of the Date of Recordation of the Deed Restriction; and

TO SECURE to the County payment that may become due by the Declarant to County which payment obligation is evidenced by that certain Deed Restriction executed by Declarant in favor of the County as of the date of this Deed of Trust and by that certain Promissory Note (the "Note" executed by the Declarant in favor of the County as of the date of this Deed of Trust; and

TO SECURE the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Declarant herein contained.

DECLARANT AND COUNTY COVENANT AND HEREBY AGREE AS FOLLOWS:

1. Declarant's Estate. That Declarant is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Security, that other than this Deed of Trust, the Security is encumbered only by: that deed of trust executed by Declarant securing a deed restriction executed by Declarant in favor of the County. Declarant agrees to warrant and defend generally the title to the Security against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring the County's interest in the Security.

2. Charges; Liens. Declarant will pay all taxes, assessments and other charges, fines and impositions attributable to the Security which may attain a priority over this Deed of Trust, by

Declarant making any payment, when due, directly to the payee thereof. Upon request by the County, Declarant will promptly furnish to the County all notices of amounts due under this paragraph. In the event Declarant makes payment directly, Declarant will promptly discharge any lien which has priority over this Deed of Trust; provided, that Declarant will not be required to discharge the lien of the Deed of Trust securing the deed restriction or any other lien described in this paragraph so long as Declarant will agree in writing to the terms of the obligation secured by such lien in a manner acceptable to the County, or will, in good faith, contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Security or any part thereof.

3. Deed Restriction. Declarant will observe and perform all of the covenants and agreements of the Deed Restriction, Deed of Trust and related documents.

4. Preservation and Maintenance of Security. Declarant will keep the Security in good repair and in a neat, clean, and orderly condition and will not commit waste or permit impairment or deterioration of the Security. If there arises a condition in contravention of this Section 4, and if the Declarant has not cured such condition within Sixty-five days (65) days after receiving a County notice of such a condition, then in addition to any other rights available to the County, the County shall have the right (but not the obligation) to perform all acts necessary to cure such condition, and to establish or enforce a lien or other encumbrance against the Security to recover its cost of curing.

5. Protection of the County's Security. If Declarant fails to perform the covenants and agreements contained in this Deed of Trust or if any action or proceeding is commenced which materially affects the County's interest in the Security, including, but not limited to, default under the Lender Deed of Trust, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then the County, at the County's option, upon notice to Declarant, may make such appearances, disburse such sums and take such action as it determines necessary to protect the County's interest, including but not limited to, disbursement of reasonable attorney's fees and entry upon the Security to make repairs.

Any amounts disbursed by the County pursuant to this paragraph, with interest thereon, will become an indebtedness of Declarant secured by this Deed of Trust. Unless Declarant and County agree to other terms of payment, such amount will be payable upon notice from the County to Declarant requesting payment thereof, as laid out in the Promissory Note and Deed Restriction.

6. Inspection. The County may make or cause to be made reasonable entries upon and inspections of the Security pursuant the Deed Restriction; provided that the County will give Declarant reasonable notice of inspection.

7. Forbearance by the County Not a Waiver. Any forbearance by the County in exercising any right or remedy will not be a waiver of the exercise of such right or remedy or any other such right or remedy available to the County under the Deed Restriction or this Deed of Trust.

The procurement of insurance or the payment of taxes or other liens or charges by the County will not be a waiver of the County's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

8. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or any other document, or afforded by law or equity, and may be exercised concurrently, independently or successively.

9. Hazardous Substances. Declarant shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Declarant shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

"Hazardous Substances" shall mean those substances defined as toxic or hazardous substances or hazardous waste under any Environmental Law, and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials.

"Environmental Law" shall mean all federal and state of California laws that relate to health, safety or environmental protection.

Declarant shall promptly give County written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or any Environmental Law of which Declarant has actual knowledge. If Declarant learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Declarant shall promptly take all necessary remedial actions in accordance with Environmental Law.

10. Successors and Assigns Bound. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of the County and Declarant subject to the provisions of this Deed of Trust.

11. Joint and Several Liability. All covenants and agreements of Declarant shall be joint and several.

12. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Declarant provided for in this Deed of Trust will be given by certified mail, addressed to Declarant at the address shown in the first paragraph of this Deed of Trust or such other address as Declarant may designate by notice to the County as provided herein, and (b) any notice to the County will be given by express delivery, return receipt requested, to the County of Placer, 3091 County Center Drive, Suite 140, Auburn, CA 95603, Attention: Housing

Specialist, or to such other address as the County may designate by notice to Declarant as provided above. Notice shall be effective as of the date received by County as shown on the return receipt.

13. Governing Law. This Deed of Trust shall be governed by the laws of the State of California.

14. Severability. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict will not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Note are declared to be severable.

15. Captions. The captions and headings in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

16. Nondiscrimination. The Declarant covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, age, disability, sex, sexual orientation, marital status, ancestry or national origin in the sale, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Declarant or any person claiming under or through the Declarant establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, occupancy, or transfer of the Property. The foregoing covenant shall run with the land.

17. Nonliability for Negligence, Loss or Damage. Declarant acknowledges, understands and agrees that the relationship between Declarant and the County is solely that of Declarant and lender, and that County neither undertakes nor assumes any responsibility for or duty to Declarant to select, review, inspect, supervise, pass judgment on, or inform Declarant of the quality adequacy or suitability of the Property or any other matter. County owes no duty of care to protect Declarant against negligent, faulty, inadequate or defective building or construction or any condition of the Property and Declarant agrees that neither Declarant, or Declarant heirs, successors or assigns shall ever claim, have or assert any right or action against County for any loss, damage or other matter arising out of or resulting from any condition of the Security and will hold County harmless from any liability, loss or damage for these things.

18. Indemnity. Declarant agrees to defend, indemnify, and hold County harmless from all losses, damages, liabilities, claims, actions, judgements, costs, and reasonable attorneys fees that County may incur as a direct or indirect consequence of:

- (a) the making of the Deed Restriction evidenced by the Note to Declarant;
- (b) Declarant's failure to perform any obligations as and when required by the County program documents; or

(c) the failure at any time of any of Declarant's certifications, representations, or warranties to be true and correct.

(d) Acceleration; Remedies. Upon Declarant's breach of any covenant or agreement of Declarant in the County program documents, including, but not limited to this Deed of Trust, the County, prior to acceleration, will mail by express delivery, return receipt requested notice to Declarant specifying; (a) the breach; (b) the action required to cure such breach; (c) a date, not less than sixty five (65) days from the date the notice is received by Declarant as shown on the return receipt, by which such breach is to be cured; and (d) that limited to, the covenants to pay, when due, any sums secured by this Deed of Trust. Failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Security. The notice will also inform Declarant of Declarant's right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of default or any other defense of Declarant to acceleration and sale. If the breach is not cured on or before the date specified in the notice, the County, at the County's option, may: (a) Declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by California law; (b) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, enter upon the Security and take possession thereof (or any part thereof) in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security thereof. The entering upon and taking possession of the Security shall not cure or waive any breach hereunder or invalidate any act done in response to such breach and, notwithstanding the continuance in possession of the Security, the County shall be entitled to exercise every right provided for in this Deed of Trust, or by law upon occurrence of any uncured breach, including the right to exercise the power of sale; (c) Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof; (d) Deliver to Trustee a written declaration of default and demand for sale, pursuant to the provisions for notice of sale found at California Civil Code Sections 2924, et seq., as amended from time to time; (e) Or, exercise all other rights and remedies provided herein, in the instruments by which the Declarant acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating or securing all or any portion of the obligations secured hereby, or provided by law.

The County shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorney's fees.

19. Declarant's Right to Reinstate. Notwithstanding the County's acceleration of the sums secured by this Deed of Trust, Declarant will have the right to have any proceedings begun by the County to enforce this Deed of Trust discontinued at any time prior to five (5) days before sale of the Security pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of a judgment enforcing this Deed of Trust if: (a) Declarant pays County all sums which would be then due under this Deed of Trust and no acceleration under the Note has occurred;

(b) Declarant cures all breaches of any other covenants or agreements of Declarant contained in this Deed of Trust; (c) Declarant pays all reasonable expenses incurred by County and Trustee in enforcing the covenants and agreements of Declarant contained in this Deed of Trust, and in enforcing the County's and Trustee's remedies, including, but not limited to, reasonable attorney's fees; and (d) Declarant takes such action as County may reasonably require to assure that the lien of this Deed of Trust, County's interest in the Security and Declarant's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Declarant, this Deed of Trust and the obligations secured hereby will remain in full force and effect as if no acceleration had occurred.

20. Due on Transfer of the Property. Upon a Transfer (as defined in the Deed Restriction) of the Property or any interest in it, the County shall require compliance with all terms of the Deed Restriction.

21. Reconveyance. Upon the performance of all obligations of the Deed Restriction secured by this Deed of Trust, the County will request Trustee to reconvey the Security and will surrender this Deed of Trust and the Note to Trustee. Trustee will reconvey the Security without warranty and without charge to the person or persons legally entitled thereto. Such person or persons will pay all costs of recordation, if any.

22. Substitute Trustee. The County, at the County's option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. The successor trustee will succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

23. Request for Notice. Declarant requests that copies of the notice of default and notice of sale be sent to Declarant at the address set forth in Section 12 above.

IN WITNESS WHEREOF, the Declarant has executed this Deed of Trust on or as of the date first written above.

DECLARANT(s):

By: _____

Printed Name

By: _____

Printed Name

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 Placer

On _____, 20____, before me, _____,
(name and title of notary public/officer)

personally appeared **[Declarant name]**, 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.

Signature _____(Seal)

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 Placer

On _____, 20____, before me, _____,
(name and title of notary public/officer)

personally appeared **[Declarant name]**, 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.

Signature _____(Seal)

EXHIBIT A

PROPERTY DESCRIPTION

All that certain real property situated in the County of Placer, State of California, described as follows:

APN: