

Recording Requested By
First American Title Company

DOC # 2011-0155863
04/08/2011

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Riverside
City Hall, 3900 Main Street
Riverside, CA 92522
Attn: Housing Manager

APN: 231-192-008

ORDER # 3109370

Customer Copy Label
The paper to which this label is
affixed has not been compared
with the recorded document
Larry W Ward
County of Riverside
Assessor, County Clerk & Recorder

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NOTICE: THIS DEED OF TRUST SECURES A SHARED APPRECIATION LOAN IN
COMPLIANCE WITH 24 CFR 92.254.

**DEED OF TRUST
(SHARED APPRECIATION)
(This is a 2nd Deed of Trust)**

D-16709

THIS DEED OF TRUST is made this 15th day of March, 2011, among the Borrower(s), Kara Lyn Longtin, a single woman (herein called "BORROWER"), and First American Title Company, Riverside (herein called "TRUSTEE"), and the Beneficiary, the City of Riverside, (herein called "CITY") whose address is 3900 Main Street, Riverside, California 92522.

BORROWER, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Riverside, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN FOR LEGAL DESCRIPTION.

which has the address of 3293 Doyle Street, Riverside, California (herein "Property");

TOGETHER with all the improvements now and hereafter erected on the above property, and all easements, rights, appurtenances and rents (subject however to the rights and authorities given herein to the City to collect and apply such rents), all of which shall be deemed to be and remain part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are hereinafter collectively referred to as the "Property";

TO SECURE to the City the repayment of the indebtedness evidenced by Borrower's Promissory Note 10-15 and riders, extensions and renewals thereof (collectively, herein the "Note"), in the principal sum of Twenty Five Thousand Dollars (\$25,000.00), with interest thereon, fully deferred with the total indebtedness, if not sooner paid due and payable upon sale,

16709

rental, refinance, conveyance, transfer, or change in title of the Property, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Deed of Trust and any riders hereto; the performance of the covenants and agreements of Borrower herein contained; the performance of the covenants and agreements of Borrower contained in that certain Loan Agreement dated the _____ day of March, 2011, by and between City and Borrower; and the performance of the covenants and agreements of Borrower contained in that certain Loan Agreement dated the _____ day of March, 2011, by and between the City and the Borrower.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property, and that the Borrower is unencumbered except for the encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS

Borrower and City covenant and agree as follows:

1. **Payment of Principal and Equity Share.** Borrower shall promptly pay when due the principal and a portion of equity appreciation as evidenced by the Note.

2. **Funds For Taxes and Insurance.** To protect the security of the Deed of Trust, Borrower agrees to pay, at least ten (10) days before delinquency, all taxes and assessments affecting the Property; when due, all encumbrances, charges and liens, with interest, on the said Property or any part thereof, which appear to be prior or superior hereto; and all costs, fees and expenses of this Deed of Trust.

Should Borrower fail to make any payment or to do any act as herein provided, the Beneficiary or trustee, without obligation to do so and without notice to or demand upon Borrower and without releasing Borrower 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; any, 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/her reasonable fees.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by City under sections 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under section 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. **Prior Mortgages and Deeds of Trust; Charges, Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over the lien of this Deed of Trust, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority of this Deed of Trust, and leasehold payments or ground rents, if any.

5. **Hazard Insurance.** Borrower shall keep the improvement(s) now existing or hereinafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as the City may require and in such amounts and for such periods as the City may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by the City; provided that such approval will not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to the City and shall include a standard mortgagee clause in favor of and in a form acceptable to the City. The City has the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority of this Deed of Trust.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and the City. The City may make proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fails to respond to the City within thirty (30) days from the date notice is mailed by the City to Borrower that the insurance carrier offers to settle a claim for insurance benefits, the City is authorized to collect and apply the insurance proceeds at the City's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

6. **Maintenance of Property.** Borrower agrees to: (a) keep the Property in a decent, safe, sanitary, tenantable condition and repair and permit no waste thereof; (b) not to commit or suffer to be done or exist on or about the Property any condition cause the Property to become less valuable; (c) remove, demolish or structurally alter any buildings and improvements now or hereinafter located on the Property; (d) to repair, restore or rebuild promptly any buildings or improvements on the Property that may become damaged or be destroyed while subject to the lien of this Deed of Trust; (e) comply with all applicable laws, ordinances and governmental regulations affecting the Property or requiring any alteration or improvement thereof, and not to suffer or permit any violations of any such law, ordinance or governmental regulation, nor of any covenant, condition or restriction affecting the Property; (f) not to initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without the City's written consent; and (g) not to alter the use of all or any part of the Property without the prior written consent of the City.

7. **Protection of the City Security.** If Borrower fails to perform the covenants and agreements contained in this Deed of Trust or any related Loan Documents, or if any action or proceeding is commenced which materially affects the City's interest in the Property, then the

City, at the City's option, upon notice to Borrower, may make such appearance, disburse such sums including reasonable attorneys' fees, and take such action as is necessary to protect the City's interest. If the City's required mortgage insurance is a condition of making the loan secured by the Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with the Borrower's and the City's written agreement or applicable law.

Any amounts disbursed by the City pursuant to this paragraph, with interest thereon, at the Note rate, will become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and the City agree to other terms of payment, such amounts will be payable upon notice from the City to Borrower requesting payment thereof. Nothing contained in this paragraph will require the City to incur any expense or take any action hereunder.

8. **Inspection.** The City may make or cause to be made reasonable entries upon and inspections of the Property, provided that the City will give the Borrower written notice prior to any such inspection specifying reasonable cause therefore related to the City's interest in the Property.

9. **Condemnation.** The proceeds of any award of claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to the City subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust.

10. **Borrower Not Released; Forbearance by the City Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by the City to Borrower or to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrowers successors in interest. The City shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by the City in exercising any right or remedy hereunder, of otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

11. **Successors and Assigns Bound, Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of the City and Borrower. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Deed of Trust, but does not execute the Note:

- (a) is co-signing this Deed of Trust only to grant and convey that Borrower's interest in the Property to Trustee under the terms of this Deed of Trust,
- (b) is not personally liable on the Note or under this Deed of Trust, and

- (c) agrees that the City and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodation with regard to the terms of this Deed of Trust or the Note, without that Borrower's consent and without releasing that Borrower or modifying this Deed of Trust as to that Borrower's interest in the Property.

12. **Notice.** Except for any notice required under applicable law to be given in another manner,

- (a) any notice to Borrower provided for in this Deed of Trust shall be given by delivering it or by mailing such notice by certified mail, return receipt requested, addressed to Borrower at the Property address or such other address as Borrower may designate by notice to the City as provided herein, and
- (b) any notice to the City will be given by certified mail, return receipt requested, to the City address stated herein or to such other address as the City may designate by notice to Borrower as provided herein.

Any Notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or the City when given in the manner designated herein.

13. **Governing Laws, Severability.** The state and local laws applicable to this Deed of Trust shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Deed of Trust. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall 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 this Deed of Trust and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and this Deed of Trust at the time of execution or after recordation thereof.

15. **Loan Agreement.** Borrower shall fulfill all of Borrower's other loan agreement/Regulatory Agreement(s) which Borrower enters into with the City, including, without limitation, the Loan agreement with the City.

16. **Affordable Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under the Affordable Loan Agreement which Borrower enters into with the City, including, without limitation, the Loan agreement with the City.

NON-UNIFORM COVENANTS

Borrower and City further covenant and agree as follows:

17. **Acceleration, Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, the City, prior to acceleration, shall give Notice to Borrower as provided in paragraph 12 hereof specifying:

- (a) the breach;
- (b) the action required to cure such breach;
- (c) a date, not less than 10 days from the date the Notice is mailed to Borrower, by which such breach must be cured; and
- (d) that 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 Property.

The Notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the Notice, the City, at the City's option, may 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 applicable law. The City shall be entitled to collect all reasonable costs and expenses incurred in pursuing these remedies, including, but not limited to, reasonable attorney's fees.

If the City invokes the power of sale, the City shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of the City's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which the Property, or some part thereof is located. The City or Trustee shall mail copies of such notice in the manner prescribed by applicable law. The Trustee shall give public notice of sale to the persons and in the manner prescribed by law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Borrower, 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 the time and place of any previously scheduled sale. Any person, including the City or the City's designee, may purchase the Property at such sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be conclusive proof of the truthfulness thereof. Trustee shall apply the proceeds of the sale in the following order:

- (1) to all reasonable costs and expenses of the sale, including but not limited to, reasonable Trustee's and attorneys' fees and costs of title evidence;
- (2) to all sums secured by this Deed of Trust with accrued interest; and,
- (3) the excess, if any, to the person or persons legally entitled thereto.

18. **Borrower's Right to Reinstate.** Notwithstanding the City's acceleration of the sums secured by this Deed of Trust due to Borrower's breach, Borrower shall have the right to have any proceedings begun by the City to enforce this Deed of Trust discontinued at any time prior to five (5) days before the sale of the Property 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) Borrower pays the City all sums which would be then due under this Deed of Trust and the Note had no acceleration occurred;
- (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in the Deed of Trust;
- (c) Borrower pays all reasonable expenses incurred by the City and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust, and in enforcing the City's and Trustee's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorneys' fees; and
- (d) Borrower takes such action as the City may reasonably require to assure that the lien of this Deed of Trust, the City's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired.

Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. **Reconveyance.** Upon payment of all sums secured by this Deed of Trust, the City shall request Trustee to reconvey the Property and will surrender this Deed of Trust and all Notes evidencing indebtedness secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled thereto. The City shall charge a fee not to exceed Forty-Five Dollars (\$45.00) for preparation of a reconveyance as provided by Section 2941 of the Civil Code of California. Such person or persons shall pay all costs of recordation of the reconveyance, if any.

20. **Substitute Trustee.** The City, or any successor in ownership of any indebtedness secured hereby, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by the City and recorded in the office of the Recorder of the county where the Property is located. The instrument shall contain the name of the original

Beneficiary, Trustee and Borrower, the book and page where this Deed is recorded and the name and address of the successor trustee. The successor trustee shall, without conveyance of the Property, succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

21. **Request for Notices.** Borrower requests that copies of the notice of sale be sent to Borrower's address which is the Property address.

22. **Fee for Requested Statements.** The City may charge a fee not to exceed Thirty Dollars (\$30.00) for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

23. **Deed of Trust Rider.** The Deed of Trust Rider executed by Borrower is attached hereto and made part of this Deed of Trust.

24. **Covenants, Conditions and Restrictions.** The Property is subject to Covenants, Conditions and Restrictions ("Restrictions") between the City and the Borrower, that are not attached hereto but are incorporated by reference. Borrower acknowledges receipt of said Restrictions and agrees for him/her self, his/her heirs, successors and assigns to be bound by the same.

25. **Warranties of Borrower.** Borrower warrants to City that:

- (a) Borrower is a first-time homebuyer; that is, s/he has not owned a home, or had any ownership interest in a home within a three-year (3 year) period immediately preceding the date of this Deed of Trust, and
- (b) That Borrower's annual gross income does not exceed eighty percent (80%) of the median income for the Riverside metropolitan area, as adjusted for family size, as said median income is determined by the U.S. Dept. of Housing and Urban Development ("HUD"), on the latter of:
 1. the date of initial application to the City; or,
 2. the date of the recordation of this Deed of Trust.
- (c) That for so long as Borrower owns the Property, Borrower will reside in the Property as Borrower's principal place of residence. Borrower agrees not to sublet, lease or rent out the Property during the term of this Deed of Trust.

26. **Subordination.** The City and Borrower acknowledge and agree that this Deed of Trust is subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Trust Deed and to all advances heretofore made or which may hereafter be made pursuant to the First Trust Deed including all sums advanced for the purpose of (a) protecting or further securing

the lien of the First Trust Deed, curing defaults by the Borrower under the First Trust Deed or for any other purpose expressly permitted by the First Trust Deed, and (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. The terms and provisions of the First Trust Deed are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of the First Trust Deed, any provisions herein or any provision in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise restricting the Borrower's ability to sell the Property shall have no further force or effect on subsequent owners or purchasers of the Property. Any person, including his/her successors or assigns (other than the Borrower or a related entity of the Borrower), receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the First Trust Deed shall receive title to the Property free and clear from such restrictions.

Further, if the Primary Lender acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Deed of Trust shall automatically terminate upon the Primary Lender's acquisition of title, provided that (i) the City has been given written notice of a default under the First Trust Deed, and (ii) the City shall not have cured the default under the First Trust Deed, or diligently pursued curing the default as determined by the Primary Lender, within the sixty (60) day period provided in such notice sent to the City.

27. **Funds for Taxes and Insurance.** The City will waive collection of impounds for taxes and assessments (including condominium, planned unit development and planned residential development assessments, if any). Borrower will make all payments for impounds to First Trust Deed holder.

28. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

Transfer Rider 1-4 Family Rider
Condominium Rider PUD Rider Other(s) [specify]:

(Signatures on Following Page)

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any riders(s) executed by Borrower and recorded with it.

Kara Lyn Longtin
Kara Lyn Longtin

3/1/11
Date

TEMPLATES -1 4
D.P.A. - 2nd Deed of Trust - City
08/20/08 [00014932]

ATTACHMENT "A"


LEGAL DESCRIPTION

Real Property All of the following real property, situated in the City of Riverside, County of Riverside, State of California, described as follows:

LOT 35 OF HARMONY DALE TRACT, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 27 PAGES 59 AND 60 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, CALIFORNIA.

APN NO. 231-192-008-0

**This conveyance is exempt from any documentary transfer tax per the California revenue and Taxation Code Section 11922

DESCRIPTION APPROVAL

MARK S. BROWN
CITY SURVEYOR
9/29/09
DATE

ACKNOWLEDGEMENT

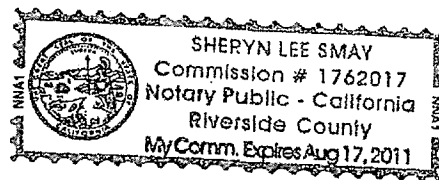
State of California,
County of Riverside

On MARCH 1, 2011, before me, SHERYN LEE SMAY, Notary Public (insert name and title of the officer) personally appeared, KAREN LYNN LONGTIN, 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 signatures(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.

Sheryn Lee Smay
Signature of Notary



DO NOT RECORD THIS PAGE
REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned is the legal owner and holder of the note or notes and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of trust have been paid in full. You are hereby requested and directed to cancel said note or notes and all other evidences of indebtedness secured by said Deed of Trust, together with this Deed of Trust, which are delivered herewith and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the party or parties legally entitled thereto.

Dated: _____

DO NOT LOSE OR DESTROY THIS DEED OF TRUST OR THE NOTE WHICH IT SECURES. BOTH MUST BE DELIVERED TO THE TRUSTEE FOR CANCELLATION BEFORE RECONVEYANCE WILL BE MADE.