

Recording Requested by and  
When Recorded Return to:

MONTEREY COUNTY  
DEPARTMENT OF PUBLIC WORKS  
168 W. Alisal Street, 2<sup>nd</sup> Floor  
Salinas, CA 93901

Space above this line for Recorder's Use Only

A.P.N: 197-211-006-000, 197-211-007-000, 197-211-008-000, 197-211-009-000.

## Deed of Trust

This Deed of Trust, made this 5th day of December, 2012, between Carmel Cutting Horses, a California <sup>INC.</sup> limited liability corporation ("Trustor"), whose address is 590-G Drunken Ave, Salinas, Chicago Title Insurance Company (Trustee), whose address is 50 Windham Street, Salinas, CA 93901, and the County of Monterey, a political subdivision of the State of California ("Beneficiary").

Trustor hereby irrevocably grants, transfers and assigns to Trustee in trust, with the power of sale, that property situated in the County of Monterey, California described in Exhibit A (hereinafter, the "Property") for the purpose of securing the performance of that certain unrecorded "Monterey County Subdivision Improvement Agreement, Fox Creek Ranch, Phase II" (hereinafter, the "Agreement"). The Agreement is hereby incorporated by reference.

To Protect the Security of this Deed of Trust, Trustor Agrees:

1. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may be named or appear.
2. To pay: at least (10) days before delinquency all taxes and assessments affecting the Property, including when due all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee may, but without obligation so to do and without notice to or

demand upon Trustor and without releasing Trustor from any obligation hereof, make or do the same in such manner and to such extent as Trustee may deem necessary to protect the security hereof. Beneficiary and Trustee are authorized to enter upon the Property for such purpose; 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 judgment of either Beneficiary or Trustee appears to be prior or superior hereto; and, in exercising any such powers, may pay necessary expenses, employ counsel and pay his or her reasonable fees.

3. 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.
4. That at any time, or from time to time, without liability therefore, and without notice, upon written request of Beneficiary, and presentation of this Deed and the Agreement 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.
5. That upon written notice of Beneficiary stating that all sums and actions secured hereby have been paid and performed, and upon surrender of this Deed and the Agreement for cancellation and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of 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". Five years after issuance of such full reconveyance, Trustee may destroy the Agreement and this Deed (unless directed in such request to retain them).

6. That upon default or breach by Trustor in the performance of any term of the Agreement, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of: written declaration of default; demand for sale; written notice of default; and written notice of election to cause the Property to be sold. Trustee shall cause the Notice of Default to be recorded in the Monterey County Recorder's Office. Beneficiary shall also deposit with the Trustee: this Deed, the Agreement, and all documentation of default or breach by Trustor.

After the lapse of such time as may then be required by law following the recordation of the 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 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 preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property to be 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 truthfulness thereof. Any person, including Trustor, Beneficiary, or Trustee, 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. Trustor, or any successor in ownership of any indebtedness or obligation 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 Trustee and duly acknowledged and recorded in the office of the Recorder of the Monterey County, shall be conclusive proof of estate, rights, powers and duties. Said instrument must contain the name of the original Trustor and Trustee hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

8. This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns, for the term of the Agreement secured hereby, whether or not named as Trustor, Beneficiary, or Trustee 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. 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.
10. This Deed of Trust may be subordinated to the extent that Beneficiary's remedies under this Deed of Trust are not impaired. Subordination shall only occur with the written consent of Beneficiary, which consent shall not be unreasonably withheld. Written consent to subordination shall be recorded with all recorded subordinating documents and shall reference the date and recording number of this Trust Deed.

The undersigned Trustor requests that a copy of any Notice of Default and any notice of Sale hereunder be mailed to them in c/o Anthony Lombardo and Associates at P.O. Box 2330, Salinas, CA 93901.

Trustor



---

Tom S. deRegt, President

Carmel Cutting Horses, Inc.



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California }
County of Monterey }
On 12/5/12 before me, Melissa Maldonado
Date Here Insert Name and Title of the Officer
personally appeared Tom deRegt
Name(s) of Signer(s)

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: [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: Deed of Trust

Document Date: Number of Pages: 4

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

- Corporate Officer - Title(s)
Individual
Partner - Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing:

Signer's Name:

- Corporate Officer - Title(s)
Individual
Partner - Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: