When recorded, mail to:
CITY OF GLENDALE
Neighborhood Revitalization
5850 W. Glendale Avenue
Glendale, AZ 85301

CITY CLERK ORIGINAL

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
ELECTRONIC RECORDING
20120569652,06/29/2012 09:08,
C76112-11-1-1--,N

C-7611-2
02/14/2011

DEED OF TRUST AND ASSIGNMENT OF RENTS

DATE: February 14, 2011

TRUSTOR: **A New Leaf, Inc.**

ADDRESS: **868 East University Drive**

Mesa, Arizona 85203

BENEFICIARY: **City of Glendale**
ADDRESS: **5850 West Glendale Avenue**
Glendale, Arizona 85301

TRUSTEE: City of Glendale
ADDRESS: 5850 W. Glendale #107
Glendale, AZ 85301

PROPERTY in Maricopa County, State of Arizona, described as:

Property Description

See The Legal Description Set Forth In Exhibit "A" Attached And Incorporated By This Reference

This Deed of Trust is made between the Trustor, Trustee and Beneficiary above named.

WITNESSETH: That Trustor irrevocably grants and conveys to Trustee in Trust, with Power of Sale, the above described real property, together with: (1) All buildings, improvements and fixtures now or hereafter placed thereon; (2) all existing leases, and all future leases executed with respect to such property; (3) all rents, issues, profits and income thereof (all of which are hereinafter called "property income"); (4) all classes of property now, or at any time hereafter, attached to or used in any way in connection with the use, operation or occupancy of such property; (5) all property, rights, permits and privileges now or hereafter owned by Trustor or now or hereafter appurtenant to such property, which entitle Trustor or such property to receive water or electrical power for use thereon; all property granted, transferred and assigned to Trustee hereunder is hereafter referred to as the "property," and Trustor warrants that it is well and truly seized of a good and marketable title in fee simple to the real property hereby conveyed; that the title to all property conveyed by this Deed of Trust is clear, free and unencumbered, and Trustor shall forever warrant and defend the same unto Beneficiary, its successors and assigns, against all claims whatsoever; **SUBJECT, HOWEVER**, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income; **AND SUBJECT TO** any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance polity insuring Beneficiary's interest in the property.

FOR THE PURPOSE OF SECURING:

(a) Performance of each agreement of Trustor herein contained. (b) Payment of the indebtedness evidenced by promissory note or notes of even date herewith, and any extension or renewal thereof, in the principal sum of Two Hundred Thousand Dollars and 00/100 ($200,000.00) executed by Trustor in favor of Beneficiary or order. 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 that are secured by this Deed of Trust.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND 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 there for; 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; and to 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 keep all improvements now or hereafter erected on said property continuously insured against loss by fire or other hazards specified by Beneficiary in an amount not less than the total obligation secured hereby. All policies shall be held by Beneficiary and be in such companies as Beneficiary may approve and have loss payable first to Beneficiary, as his interest may appear and then to Trustor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured 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 hereunder nor cause discontinuance of any action that may have been or may thereafter be taken by Beneficiary or Trustee because of such default.

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 of Beneficiary or Trustee, 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 appear or be named, and in any suit brought by Beneficiary to enforce this Deed of Trust.

4. To pay: before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance and all lawful charges, costs, and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

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 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 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. All amounts so paid, together with interest thereon at the same rate as is provided for in the note secured by this Deed of Trust or at the highest legal rate, whichever is greater, shall be part of the debt secured by this Deed of Trust and a lien on the above property.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as is provided for in the note secured by this Deed of Trust or at the highest legal rate, whichever is greater. Any amounts so paid by Beneficiary or Trustee shall

become part of the debt secured by this Deed of Trust and a lien on said property and immediately due and payable at option of Beneficiary or Trustee.

B. IT IS MUTUALLY AGREED:

1. That any award of damages in connection with any condemnation or any taking, or for injury to the property by reason of public use, or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto Trustor, however, the right to sue therefor and the ownership thereof, subject to this Deed of Trust), and upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same 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. Without affecting the obligation of Trustor to pay and perform as herein required; without affecting the personal liability of any person for payment of the indebtedness secured hereby; and without affecting the lien or priority of lien hereof on the Trust Property, Beneficiary may, at its option, extend the time for payment of said indebtedness, or any part thereof, reduce the payment thereon, release any person liable on any of said indebtedness, accept a renewal note there for, modify the terms of said indebtedness, take or release other or additional security, or join in any extension or subordination agreement. Any such action by Beneficiary or the Trustee at Beneficiary's direction may be taken without the consent of any junior lien holder, and shall not affect the priority of this Deed of Trust over any junior lien. Time is of the essence of this Deed of Trust.

3. That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, and without liability therefor, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, the Trustee may: (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereon; (d) join in or consent to any extension agreement of any agreement subordinating the lien, encumbrance or charge hereof. Any Trustor signing this Trust as a surety or accommodation party or that has subjected its property to this Trust to secure the debt of another, expressly waives the benefits of A.R.S. 12-1641.

4. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for

cancellation and retention, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, 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."

5. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the property income, reserving to 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 property income as it becomes due and payable. Upon any such default Beneficiary may at any time, without notice either by person, by agent, or by receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured or the solvency of the Trustor, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such property income, including that past due and unpaid and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees of Beneficiary and Trustee, 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 property income, and the application thereof as aforesaid, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice. Beneficiary shall expressly have all rights provided for in A.R.S. 33-702B and 33-807.

6. That upon default by Trustor in the 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 notice thereof, setting forth the nature thereof, and of election to cause to be sold said property under this Deed of Trust. Beneficiary also shall deposit with Trustee this Deed of Trust, said note(s), and all documents evidencing expenditures secured hereby.

Trustee shall record and give notice of Trustee's sale in the manner required by law, and after the lapse of such time as may then be required by law, Trustee shall sell, in the manner required by law, said property at public auction at the time and place fixed by it in said notice of Trustee's sale to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee at its discretion may postpone or continue the sale from time to time by giving notice of postponement or continuance by public declaration at the time and place last appointed for the sale. Trustee shall deliver to such purchaser its Deed conveying the property so sold, but without any covenant or warranty, expressed or implied. Any persons, including Trustor, Trustee or Beneficiary, may purchase at such sale. The purchaser at the Trustee's sale shall be entitled to immediate possession of the property as against the Trustee or other persons in possession and shall have a right to the summary proceedings to obtain possession provided in Title 12, Chapter 8, Article 4, Arizona Revised Statues, together with costs and reasonable attorney's fees.

After deducting all costs, fees, and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale and reasonable attorney's fees of Beneficiary and Trustee, Trustee shall apply the proceeds of sale to payment of: all sums then secured hereby and all other sums due under the terms hereof, with accrued interest; and the remainder, if any, to the person or persons legally entitled thereto, or as provided in A.R.S. 33-812. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgment for any balance due hereunder. In lieu of sale pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Beneficiary shall also have all other rights and remedies available to it hereunder and at law or in equity. All rights and remedies shall be cumulative.

7. That Beneficiary may appoint a successor Trustee in the manner prescribed by law. Trustor and Beneficiary authorize Trustee, in the event any demand or notice is made or tendered to it concerning this trust or the property, to hold any money and documents and to withhold action or performance until an action shall be brought in a court of competent jurisdiction to determine the rights asserted or the property of the demand, notice or action requested and Trustee shall be without liability or responsibility for awaiting such court action. A Successor Trustee herein shall without conveyance from the predecessor Trustee, succeed to all the predecessor's title, estate, rights, powers, and duties. Trustee may resign at any time by mailing or delivering notice thereof to Beneficiary and Trustor and having so resigned shall be relieved of all liability and responsibility to Trustor, Beneficiary or otherwise hereunder. "Trustee" herein shall include all successor trustees. Trustee shall not be liable for any action taken in its discretion and in good faith, or upon advice of counsel, or upon any information supplied or direction given by Beneficiary. Unless Trustee is adjudged grossly negligent or guilty of intentional wrongdoing or breach of contract, Trustor and Beneficiary will, upon demand, indemnify and hold harmless Trustee against all costs, damages, attorney's fees, expenses and liabilities which it may incur or sustain in connection with this Deed of Trust or any foreclosure or sale hereof or any court or other action or proceeding arising here from.

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

9. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee may but 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.

The undersigned Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to him at his address set forth above.

Executive Director
A New Leaf, Inc.

State of Arizona)
) ss
County of Maricopa)

BE IT REMEMBERED, that on this 14 day of February, 2011, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Luz Bopriguez known to me to be the identical individual(s) described in and who executed the within Loan and Note and acknowledged to me the said individual(s) executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed by official seal the day and year above written.

OFFICIAL SEAL
POLLY A. BOND
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires August 5, 2011

Notary Public

Deputy City Manager
City of Glendale

STATE OF ARIZONA)
)ss
County of Maricopa)

BE IT REMEMBERED, that on this 25th day of February, 2011, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Cathy Gorham, known to me to be the identical individual(s) described in and who executed the within Loan and Note and acknowledged to me the said individual(s) executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed by official seal the day and year above written.

OFFICIAL SEAL
ALICIA MULLER
NOTARY PUBLIC - State of Arizona
MARICOPA COUNTY
My Comm. Expires Nov. 14, 2011

Notary Public

ATTACHMENT A

LEGAL DESCRIPTION

Legal Description:

868 East University Drive
Mesa, AZ 85203

Parcel 137-06-043

PT W2 SE4 DAF S 168F Of W79.8F EX S 55 F RD

When recorded, mail to:
CITY OF GLENDALE
Community Revitalization
6829 North 58th Drive, Suite 104
Glendale, AZ 85301

PROMISSORY NOTE
DEFERRED LOAN

Loan Amount: $200,000.00 Glendale, Arizona

Date: February 14, 2011

FOR VALUE RECEIVED, the undersigned jointly and severally promise(s) to pay to the order of the City of Glendale, a municipal corporation of the state of Arizona (City), or its successors, the principal sum of Two Hundred Thousand Dollars and 00/100 ($200,000.00). This Note is made on a 10-year Deferred Payment, non-interest bearing basis on and is secured by a Deed of Trust.

This Note shall become due and payable upon any transfer, voluntary, involuntary, or by operation of law, of the Property identified in the Deed of Trust within ten years from the date of this Note, or at any time within ten years from the date of this Note undersigned ceases to occupy or use the property to provide services to low or moderate income youth. This Note is secured by a Deed of Trust executed by the undersigned naming the City of Glendale as Beneficiary; which Deed of Trust and this Note are security for the obligations of the undersigned contained in the contract for West Valley Community Behavioral Health Center executed by the parties on (February 14, 2011).

The amount due at such time shall be the amount of the current fair market value of the property less any portion attributable to non-Community Development Block Grant funds involved in the rehabilitation improvements to the real property. The current fair market value of the property shall be established by independent appraisal. The portions of fair market value attributable to CDBG and non-CDBG funds shall be established at completion of the rehabilitation improvements through a subsequent appraisal. Appraisals completed to determine such values shall be at the sole cost and expense of the City.

If at the end of the term of this Promissory Note, the undersigned has continuously provided the services and complied with the provisions of the above referenced subrecipient agreement, the City shall consider the obligations of this Note to have been met and shall consider its security interest in the property to be released to the undersigned.

Should default be made in the payment of any amount when due, or should the undersigned default on any obligation owed to the City under the terms of this Promissory Note or the Deed of Trust providing security, therefore, the whole sum of principal shall become immediately due and payable at the option of the holder of this Note.

If suit or action is instituted by City to recover on this Note, A New Leaf, Inc., agrees to pay reasonable attorney's fees and costs in addition to the amount due on the Note.

Diligence, demand, protest and notice of demand and protest are hereby waived and the undersigned hereby waives, to the extent which otherwise would apply to the debt evidenced by this Note. Consent is hereby given to the extension of time of payment of this Note, without notice.

The undersigned reserves the right to repay at any time all of the principal amount of this Note in a single payment without the penalties, discount or premiums.

IN WITNESS WHEREOF, this Note and Deed of Trust securing the Note, have been duly executed by the undersigned, as of the date above written.

Executive Director
A New Leaf, Inc.

STATE OF ARIZONA)
) ss
County of Maricopa)

BE IT REMEMBERED, that on this 14 day of February, 2010, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Luz Bojorquez known to me to be the identical individual(s) described in and who executed the within Loan and Note and acknowledged to me the said individual(s) executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed by official seal the day and year above written.

OFFICIAL SEAL
POLLY A. BOND
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires August 5, 2011

Notary Public

Deputy City Manager
City of Glendale

STATE OF ARIZONA)
)ss
County of Maricopa)

BE IT REMEMBERED, that on this 25th day of February, ~~2010~~ 2011, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Cathy Gorham, known to me to be the identical individual(s) described in and who executed the within Loan and Note and acknowledged to me the said individual(s) executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed by official seal the day and year above written.

OFFICIAL SEAL
ALICIA MULLER
NOTARY PUBLIC - State of Arizona
MARICOPA COUNTY
My Comm. Expires Nov. 14, 2011

Notary Public