

When Recorded Return to:

City of Yuma  
Neighborhood Services Division  
One City Plaza  
Yuma AZ 85364

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS  
(Rental)**

Date: April ____, 2025	County and State where Real Property is located: Yuma County, Arizona
TRUSTOR: Arizona Housing Development Corporation, an Arizona domestic nonprofit corporation 420 S. Madison Avenue Yuma, AZ 85365	BENEFICIARY: City of Yuma, an Arizona municipal corporation acting on behalf of the Yuma County HOME Consortium One City Plaza Yuma AZ 85364
TRUSTEE: City of Yuma, an Arizona municipal corporation acting on behalf of the Yuma County HOME Consortium One City Plaza Yuma AZ 85364	Obligations Secured: Promissory Note Amount \$2,901,394.60 And all obligations described in this deed of trust and the HOME/HOME-ARP Development Loan Agreement including all Declarations and other attached Exhibits
Escrow Number:	Subject Property Address: 430 Magnolia Avenue Yuma, AZ 85364

The TRUST PROPERTY in Yuma County, State of Arizona, is hereafter referred to as the "Trust Property," legally described in Exhibit A, attached and incorporated by reference, together with all buildings, improvements and fixtures thereon.

**Grant.** For valuable consideration, receipt of which is acknowledged, Trustor irrevocably grants, conveys, transfers and assigns to Trustee, in trust, with power of sale, the real property in Yuma County, Arizona described above as the Trust Property), together with (1) all easements, rights-of-way and rights appurtenant to said Trust Property or used in connection therewith or as a means of access thereto, (2) all tenements, hereditaments and appurtenances thereto, including all water and water rights appertaining thereto, (3) Trustor's interest as lessor in all leases affecting said real property, (4) all buildings, structures, improvements, fixtures, trade fixtures, nor or hereafter erected on, affixed or attached to, or located in or on said Trust Property, and all substitutions, replacements, additions and accessions thereof or thereto, (5) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Trust Property (subject, however, to the assignment of rents and profits to Beneficiary herein), and (6) all right, title, estate, interest, and other claim or demand, including without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said Trust Property, which Trustor now has or may hereafter acquire in said Trust Property, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Trust Property for the purpose of securing the Trustor's/Owner's obligations ("Obligations") to (i) payment of the indebtedness in the principle sum of \$2,901,394.60 evidenced by Promissory Note of even date herewith, and any extension or renewal thereof, executed by Trustor in favor Beneficiary; (ii) performance of Trustor's obligations under the HOME/HOME-ARP Development Loan Agreement including all Declarations and other attached Exhibits; and (iii) performance of all other obligations of Trustor under this Deed of Trust.

A. The Trustor warrants and represents to Beneficiary that Trustor has good and merchantable fee simple title to the real property also referred to as the Trust Property, subject only to patent reservations, current taxes not delinquent, easements and restrictions of public record, and none other. Trustor further warrants the correctness of the legal description of the Property attached hereto as Exhibit A and Trustor authorizes Beneficiary to do all acts and execute all documents necessary for the correction of any such error or defect and the perfection, protection, preservation or enforcement of Beneficiary's rights under this Deed of Trust. To protect the security of this Deed of Trust, Assignment of Leases and Rents, ("Deed of Trust"), Trustor agrees:

1. To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees, in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

2. To pay when due and before delinquent all taxes and assessments affecting said real property, including assessments on appurtenant water stock, and all encumbrances, charges and liens, with interest, on said real property or any part thereof which appear to be prior or superior hereto, and all costs, fees and expenses of Trustee and this Trust.

3. If Trustor fails to make any payment or to do any act in accordance with this Deed of Trust, then Beneficiary or Trustee, after fifteen (15) days' notice to and demand upon Trustor and without releasing Trustor from any obligation hereunder, shall have the right, but no duty, to make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, including specifically, without limiting their general powers, the right to enter upon and take possession of said real property, to make additions, alterations, repairs and improvements to said real property which either of them may consider necessary or proper to keep said real property in good condition and repair, to appear and participate in any action or proceeding affecting or which may affect said real property, the security hereof, or the rights or powers of Beneficiary or Trustee hereunder, to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of either of them may affect or appears to affect the security hereof or may be prior or superior hereto, and in exercising such powers, to pay necessary expenses, including employment of attorneys or other necessary or desirable consultants. Trustor shall, immediately upon demand therefor by Beneficiary, pay to Beneficiary all amounts expended by Beneficiary and all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing rights and powers, including, without limitation, costs of evidence of title, court costs, appraisals, surveys and reasonable attorneys' fees, together with interest thereon from the date of expenditure to the date of repayment as described in the HOME/HOME-ARP Development Loan Agreement.

B. It is mutually agreed that this Deed of Trust is not intended to modify the HOME/HOME-ARP Development Loan Agreement and that:

1. All awards of damages or compensation now or hereafter made in connection with any taking by eminent domain or condemnation for public use of or injury to said real property or any part thereof, are hereby assigned and shall be paid to Beneficiary, who may apply or release such awards or compensation received by Beneficiary in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance. Trustor agrees to execute such further assignments of any such awards or compensation as Beneficiary may require.

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

3. Without affecting the liability of any person, including Trustor, for the performance of the Obligations secured by this Deed of Trust upon said real property, Beneficiary may from time to time and without notice do any one or more of the following: substitute or release any person now or hereafter liable for the performance of the Obligations or any part thereof; extend the time or otherwise alter performance of the Obligations; accept additional security therefore of any kind; or substitute or release any property or any portion thereof securing such performance of the Obligations without, as to the remainder of the security, otherwise impairing or affecting the liens and priority herein created.

4. At any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of the Deed of Trust, and without affecting the liability of any entity for the performance of the Obligations, Trustee may: reconvey any part of said real property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.

5. Upon written request of Beneficiary stating that all of the Obligations have been performed, and upon surrender of this Deed of Trust to Trustee for cancellation, and upon payment of Trustee's fees, Trustee shall reconvey, without warranty, the real 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."

6. Trustor absolutely and irrevocably assigns and transfers to Beneficiary all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Trust Property (all of the foregoing are herein collectively referred to as the "rents and profits"). Trustor hereby gives to and confers upon Beneficiary the right, power and authority to collect said rents and profits. Trustor irrevocably appoints Beneficiary his true and lawful attorney-in-fact, at the option of Beneficiary at any time and from time to time, either with or without taking possession of said Trust Property, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Trustor or Beneficiary, for all said rents and profits and apply the same to the payment or performance of the Obligations secured hereby. Trustor shall, nevertheless, have a license to collect and retain said rents and profits as the same become due and payable but only before the occurrence of a default under this Deed of Trust and as long as no such default exists. The assignment of said rents and profits is intended to be a present and absolute assignment from Trustor to Beneficiary and not merely the creation of a security interest. Beneficiary's license to collect said rents and profits is not contingent upon Beneficiary's taking possession of said Trust Property. Upon the occurrence of a default under this Deed of Trust, Trustor's license to collect the rents and profits shall automatically terminate without notice, and Beneficiary may, and as long as any such default exists, either in person, by agent or by a receiver appointed by a court, and without regard to the value of said, Trust Property, or any part thereof, in its own name sue for or otherwise collect said rents and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The collection of said rents and profits, or the entering upon and taking possession of said Trust Property, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

7. The occurrence of any of the following shall be a default under this Deed of Trust: failure to perform any of the Obligations secured hereby when due and such failure continues for fifteen (15) days after notice to Trustor; failure to perform any other agreement of

Trustor herein when due and such failure continues for fifteen (15) days after the same becomes due and payable; Trustor commences a voluntary case under the federal Bankruptcy Code as now or hereafter in effect, or any successor thereto; an involuntary case under such Bankruptcy Code is commenced against Trustor and is not controverted or, if controverted, is not dismissed within sixty (60) days after the commencement of such case; a receiver, trustee, custodian or similar official is appointed for, or takes charge of, said Trust Property, said collateral, or all or substantially all of the property of Trustor; Trustor commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, liquidation or similar law of any jurisdiction now or hereafter in effect relating to Trustor; any such proceeding is commenced against Trustor and is not controverted or, if controverted, is not dismissed within sixty (60) days after commencement; Trustor is adjudicated insolvent or bankrupt; any order of relief or other order approving any such case or proceeding is entered; Trustor makes a general assignment for the benefit of creditors; or there has occurred any other breach of, or default of the Obligations or any other provision of this Deed of Trust.

8. At any time after the occurrence of a default under this Deed of Trust, Beneficiary may, at its option and in its sole discretion, and without further notice or demand to or upon Trustor, do one or more of the following:

a. Beneficiary may enter upon, take possession of, manage and operate the Trust Property or any part thereof; make repairs and alterations and do any other acts which Beneficiary considers necessary or proper to protect the security hereof; and either with or without taking possession, in its own name, sue for or otherwise collect and receive rents, issues, and profits, including those past due and unpaid, and apply the same less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any of the costs of performing the Obligations secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of the real property, the collection of any rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default theretofore or thereafter occurring, or affect any notice of default hereunder or invalidate any act done pursuant to any such notice. Notwithstanding Beneficiary's continuance in possession or receipt and application of rents, issues or profits, Beneficiary shall be entitled to exercise every right provided for in this Deed of Trust or by law upon or after the occurrence of a default, including the right of exercise of the power of sale. Any of the actions referred to in this paragraph may be taken by Beneficiary at such time as Beneficiary is so entitled, without regard to the adequacy of any security for the indebtedness hereby secured.

b. Beneficiary shall, without regard to the adequacy of any security for the Obligations hereby secured and without notice, be entitled to the appointment of a receiver to take possession of and protect the Trust Property, and operate the same and collect the rents, issues and profits therefrom. Trustor hereby irrevocably consents to such appointment and expressly waives any right to receive notice of application for such appointment and the right to a hearing prior to such appointment. The receiver shall have all the usual powers and duties of receivers in similar cases, including without limitation, the full power to rent, maintain and otherwise operate the property upon such terms as may be approved by the court.

c. Beneficiary may bring an action in any court of competent jurisdiction to foreclose this Deed of Trust as a mortgage or to enforce any of the covenants hereof.

d. Beneficiary may elect to cause the property or any part thereof to be sold at trustee's sale as follows:

1) Beneficiary may proceed as if all of the property, including said collateral, were real property, in accordance with Subparagraph 3) below, or Beneficiary may elect to treat any of the property which consists of a right in action or which is property that can be severed from the Trust Property without causing structural damage thereto as if the same were personal property, and dispose of the same in accordance with Subparagraph 2) below, separate and apart from the sale of Trust Property, the remainder of such property being treated as real property. Should Beneficiary desire that more than one sale or other disposition be conducted, Beneficiary may at its option cause the same to be conducted simultaneously or successively on the same day or at such different days or times and in such order as Beneficiary may deem to be in its best interest.

2) Should Beneficiary elect to cause any of the property to be disposed of as personal property as permitted by Subparagraph 1) above, Beneficiary may dispose of any part thereof in any manner now or hereafter permitted by Chapter 9 of the Uniform Commercial Code, *Arizona Revised Statutes* Sections 47-9101 et. seq., or in accordance with any other remedy provided by law. Both Trustor and Beneficiary shall be eligible to purchase any part or all of such property at any such disposition. Any such disposition may be either public or private as Beneficiary may so elect, subject to the provisions of applicable law. Beneficiary shall give Trustor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of such property or of the time at or after which any private sale or any other intended disposition is to be made, and if notice is sent to Trustor in the manner as provided herein, such notice shall constitute reasonable notice to Trustor.

3) Should Beneficiary elect to sell the property which is real property or which Beneficiary has elected to treat as real property, upon such election Beneficiary or Trustee shall give such notice of sale and notice of default and election to sell as may be required by law. Thereafter, upon the expiration of such time as may then be required by law, Trustee, at the time and place specified by the notice of sale, shall sell such property, or any portion thereof specified by Beneficiary, at public auction to the highest bidder for cash in lawful money of the United States, subject, however, to the provisions of Subparagraph 4) below. Beneficiary may make a credit bid or bids in the amount of all or any portion of the indebtedness secured by this Deed of Trust, including without limitation, title search fees and policy premiums, attorneys' fees, appraisal and other costs, expenses and fees incurred in connection with foreclosure of this Deed of Trust. Trustee may, and upon request of Beneficiary shall, from time to time, postpone the sale by public announcement thereof at the time and place noticed therefor. If the property consists of several lots or parcels, Beneficiary may designate the order

in which the property shall be offered for sale or sold. Any person, including Trustee or Beneficiary, may purchase at the sale. Upon sale, Trustee shall execute and deliver to the purchaser or purchasers a deed or deeds conveying the property so sold, but without any covenant or warranty whatsoever, express or implied, whereupon such purchaser or purchasers shall be let into immediate possession.

4) In the event of a sale or other disposition of any such property, or any part thereof, and the execution of a deed or other conveyance, pursuant thereto, the recitals therein of facts, such as a default, the giving of notice of default and notice of sale, terms of sale, sale, purchaser, payment of purchase money, and any other fact affecting the regularity or validity of such sale or disposition, shall be conclusive proof of the truth of such facts; and any such deed or conveyance shall be conclusive against all persons as to such facts recited therein.

5) Beneficiary and/or Trustee shall apply the proceeds of any sale or disposition hereunder to payment of the following: (i) the expenses of such sale or disposition, together with Trustee's fees and attorneys' fees, and the cost of publishing, recording, mailing and posting the notice of sale; (ii) the cost of any search or other evidence of title procured in connection therewith and revenue stamps on any deed or reconveyance; (iii) to the costs of performance of the Obligations secured by this Deed of Trust; (4) all other sums secured hereby or required to be expended in connection with the mortgaged property whether or not expressly contemplated hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto in the order of their priority.

6) Trustor hereby expressly waives any right Trustor may have to direct the order in which any of the property shall be sold.

7) Upon sale of the property, whether made under the power of sale herein granted or pursuant to judicial proceedings, if the holder of the Beneficiary is the purchaser, the Beneficiary shall be entitled to use and apply as a credit all or any portion of the indebtedness then secured hereby for or in settlement or payment of all or any portion of the purchase price of the property purchased.

9. Beneficiary may from time to time substitute in such manner as may be provided by law a successor or successors to any Trustee named herein or acting hereunder, which successor Trustee shall thereupon succeed, without conveyance from the predecessor, to all of Trustee's powers, duties, authority and title; or, in the absence of any such law providing for the substitution of trustees in deeds of trust, Beneficiary may, with like effect, make such substitution from time to time by instrument in writing executed and acknowledged by Beneficiary and recorded in the county or counties in which said real property is situated. Said instrument shall contain the name of the original Trustor, Trustee and Beneficiary, the book and page or document number where this Deed of Trust is recorded, the name of the new Trustee or such other information as may be required by law.

10. Trustor hereby waives the right to assert any statute of limitations as a bar to the enforcement of this Deed of Trust or to any action brought to enforce the Obligations secured by this Deed of Trust. Notwithstanding the existence of any other liens in said real property or security interests in said collateral held by Beneficiary or by any other party, Beneficiary shall have the right to determine the order in which any or all of the said real property or said collateral shall be subjected to the remedies provided herein. Beneficiary shall have the right to determine the order in which the Obligations secured hereby is satisfied from the proceeds realized upon the exercise of the remedies provided herein. Trustor, any party who consents to this Deed of Trust, and any party who now or hereafter acquires a lien or security interest in said real property or said collateral and who has actual or constructive notice of this Deed of Trust hereby expressly waives and relinquishes any and all rights to demand or require the marshaling of liens or the marshaling of assets by Beneficiary in connection with the exercise of any of the remedies provided herein or permitted by applicable law. Trustor expressly waives and relinquishes any and all rights and remedies Trustor may have or be able to assert by reason of laws relating to the rights and remedies of sureties or guarantors, including, without limitation, A.R.S. Section 12-1641, et. seq., and Rule 17 (f), *Arizona Rules of Civil Procedure*.

11. The invalidity of any provision of this Deed of Trust shall not affect the remaining provisions of this Deed of Trust or any part thereof and this Deed of Trust shall be construed as if such invalid provision, if any, had not been inserted herein.

12. The Trust hereby created shall be irrevocable by Trustor.

13. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their respective heirs, personal representatives, successors and assigns. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine or the neuter and the singular number includes the plural.

14. If Trustor, or any successor or assign, sells, conveys, alienates, leases (other than to tenants in the ordinary course of business with no option to purchase), assigns, transfers or encumbers, or contracts to sell, convey, alienate, lease (other than to tenants in the ordinary course of business with no option to purchase), assign, transfer or encumber, all or any part of said real property or any interest in said real property, whether any of the foregoing events occurs in any manner, directly or indirectly, whether voluntary, involuntary or by operation of law, without the prior written consent of Beneficiary, then, and in any such event, all of the Obligations secured by this Deed of Trust shall become immediately due at the election of Beneficiary, without notice. Trustor shall give reasonable written notice to Beneficiary of any transfer of said Trust Property or other event described in this paragraph prior to any such transfer or event. Trustor shall furnish in writing to Beneficiary all reasonable information concerning any transfer of said Trust Property or other such event that is requested by Beneficiary, including, without limitation, the name and address of the transferee, financial statements of the transferee, a full description of the business of the transferee, and the complete terms of the transfer.



15. Trustor shall not suffer any waste of the Trust Property and will not permit or conduct either the generation, treatment, storage or disposal of hazardous waste, as defined in the Resource Conservation and Recovery Act, or the disposal on the Property of petroleum or any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, and will perform all remedial actions reasonably necessary as the result of the presence of any such hazardous wastes, petroleum or hazardous substances on, at or near the Trust Property. Trustor shall be personally liable for any loss, damage or liability suffered by Beneficiary due to the presence of any such hazardous waste, petroleum or hazardous substance at, on or near the property, and Trustor shall be liable for compliance (and for costs associated therewith) with any directive or order by any governmental entity relating to the presence of any such hazardous waste, petroleum or hazardous substance on, at, or near the property. Trustor will deliver promptly to the Beneficiary, (i) copies of any documents received from the United States Environmental Protection Agency and/or state, county or municipal environmental or health agency concerning the Trustor's operations upon the Trust Property; and (ii) copies of any documents submitted by the Trustor to the United States Environmental Protection Agency concerning its operations on the Trust Property. Trustor shall indemnify, defend and hold Beneficiary harmless from any claims, damages, actions, liabilities, causes of action, lawsuits, investigations and judgments of any nature whatsoever, including without limitation, attorney's fees and expenses, incurred by Beneficiary in connection with the use, generation, treatment, storage or disposal of any hazardous or toxic chemical, material, substance or waste on or at the Trust Property, such indemnity and hold harmless agreement shall, independent of this Deed of Trust and its release and reconveyance survive satisfaction of the Obligations secured hereby.

16. Trustor, its successors and assigns and each of them, represent and warrant that the property involved in this transaction does not represent the proceeds of some form of unlawful activity under any state, federal or foreign law.

17. Trustee accepts this trust when this Deed of Trust, 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 is a party unless brought by Trustee. Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth above on page 1 hereof for Trustor.

18. This Deed of Trust shall be governed by and interpreted, construed and enforced according to the laws of the State of Arizona.

19. Any action brought to interpret, enforce or construe any provisions of this Deed of Trust shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Yuma. The parties hereto irrevocably consent to jurisdiction and venue in such court for such purposes and agree not to seek transfer or removal of any action from such court.

Trustor: Arizona Housing Development Corporation

By: \_\_\_\_\_  
President

STATE OF ARIZONA        )  
                                  )ss  
County of Yuma            )

This instrument was acknowledged and executed before me this \_\_\_\_\_ day of \_\_\_\_\_,  
2025 by Fernando Quiroz, President, on behalf of the Arizona Housing Development Corporation.

\_\_\_\_\_  
Notary Public

[STAMP/SEAL]

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

A LOT TIE OF LOT 4, LOT 9, AND NORTH HALF OF LOTS 5 AND 8, BLOCK 27 OF TOWNSEND TRACT AS RECORDED IN BOOK 1 OF PLATS, PAGE 14, AND MODIFIED PER ROBLES LOT TIE AS RECORDED IN BOOK 16 OF PLATS, PAGE 66, YUMA COUNTY RECORDS. LOCATED IN A PORTION OF THE NORTHEAST CORNER OF THE SOUTHWEST CORNER OF SECTION 20, TOWNSHIP 8 SOUTH, RANGE 23 WEST GILA AND SALT RIVER BASE AND MERIDAN; CITY OF YUMA, YUMA COUNTY, ARIZONA