

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



*IDH
1933*

FROM: TLMA Code Enforcement

SUBMITTAL DATE:
August 25, 2016

SUBJECT: Abatement of Public Nuisance [Accumulated Rubbish] Case No: CV16-00119
[PINTO] Subject Property: 14509 Lake Street, Lake Elsinore; APN: 391-170-011
District: 1 [\$0]

RECOMMENDED MOTION: That the Board of Supervisors move that:

1. The accumulation of rubbish on the real property located at 14509 Lake Street, Lake Elsinore, Riverside County, California, APN: 391-170-011 be declared a public nuisance and a violation of Riverside County Ordinance No. 541 which does not permit the accumulation of rubbish on the property.
2. Walter A. Pinto and Emperatriz R. Pinto, the owners of the subject real property, be directed to abate the accumulation of rubbish on the property by removing the same from the real property within ninety (90) days.
3. If the owners or whoever has possession or control of the real property do not take the above described action within ninety (90) days of the date of the Board's Order to Abate, that representatives of the Code Enforcement Department, Sheriff's Department, and/or a contractor, upon consent of the owner or receipt of a Court Order authorizing entry onto the real property, when necessary under applicable law, may abate the accumulation of rubbish by removing and disposing of the same from the real property.
4. The reasonable costs of abatement, after notice and an opportunity for hearing, shall be imposed as a lien on the real property, which may be collected as a special assessment against the real property pursuant to Government Code Section 25845 and Riverside County Ordinance No. 725.
5. County Counsel be directed to prepare the necessary Findings of Fact, Conclusions and Order to Abate Nuisance for approval by the Board that the accumulation of rubbish on the real property is declared to be in violation of Riverside County Ordinance No. 541, and a public nuisance.

MINUTES OF THE BOARD OF SUPERVISORS

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



Page 2

BACKGROUND:

Summary

1. An inspection was made on the subject property by Code Enforcement Officer Thomas McMullen on January 11, 2016. The inspection revealed the accumulation of rubbish on the subject property in violation of Riverside County Ordinance No. 541. The rubbish consisted of, but was not limited to: drywall, tires, furniture, household items, spent building materials, scrap lumber and trash. During a subsequent follow up inspection on June 13, 2016, Officer Thomas McMullen observed additional accumulated rubbish on the subject property. Additional rubbish consisted of clothing, green waste, metal and car parts and measured approximately 37,840 square feet.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: N/A			Budget Adjustment:	N/A
			For Fiscal Year:	N/A

C.E.O. RECOMMENDATION:

BACKGROUND:

Summary (continued)

2. There have been approximately five (5) follow up inspections, with the last inspection being on June 13, 2016. The property continues to be in violation of Riverside County Ordinance No. 541.

3. Staff and the Code Enforcement Department have complied with the notice requirements set forth in the appropriate laws of this jurisdiction pertaining to the administrative abatement proceedings for the removal of accumulated rubbish.

Impact on Residents and Businesses

Failure to abate will have a negative impact on citizens or businesses due to health and safety hazards, nuisance, and potential impact on real estate values.

SUPPLEMENTAL: N/A

Additional Fiscal Information: N/A.

Contract History and Price Reasonableness: N/A

ATTACHMENTS:

Declaration

Exhibits A-G

**BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE**

1 2 3 4 5 6	IN RE ABATEMENT OF PUBLIC NUISANCE) [ACCUMULATED RUBBISH]; APN: 391-170-011,) 14509 LAKE STREET, LAKE ELSINORE, COUNTY) OF RIVERSIDE, STATE OF CALIFORNIA;) WALTER A. PINTO AND EMPERATRIZ R. PINTO,) OWNERS.)	CASE NO. CV16-00119 DECLARATION OF CODE ENFORCEMENT OFFICER THOMAS MCMULLEN [RCO Nos. 541 & 725]
----------------------------	---	--

7
8 I, Thomas McMullen, declare that the facts set forth below are personally known to me except to
9 the extent that certain information is based on information and belief which I believe to be true, and if
10 called as a witness, I could and would competently testify thereof under oath:

11 1. I am currently employed by the Riverside County Code Enforcement Department as a
12 Code Enforcement Officer. My current official duties as a Code Enforcement Officer include inspecting
13 properties for violations and enforcement of the provisions of Riverside County Ordinances.

14 2. On January 11, 2016, I conducted an inspection of the real property described as 14509
15 Lake Street, Lake Elsinore, Riverside County, California and further described as Assessor's Parcel
16 Number 391-170-011 (hereinafter described as "THE PROPERTY"). A true and correct copy of a
17 Thomas Brothers map page indicating the location of THE PROPERTY is attached hereto and
18 incorporated herein by reference as Exhibit "A."

19 3. A review of County records and documents disclosed that THE PROPERTY is owned by
20 Walter A. Pinto and Emperatriz R. Pinto (hereinafter referred to as "OWNERS"). A certified copy of the
21 County Equalized Assessment Roll for the 2015-2016 tax year and a copy of the report generated from
22 the County Geographic Information System ("GIS") is attached hereto and incorporated herein by
23 reference as Exhibit "B." Accumulated rubbish is not permitted on any property within the unincorporated
24 areas of the County of Riverside.

25 ///
26 ///
27 ///
28 ///

1 4. Based on the Lot Book Reports from RZ Title Service dated April 7, 2016, it is determined
2 that other parties may potentially hold a legal interest in THE PROPERTY, to wit: U.S. Bank N.A.,
3 Elsinore Valley Municipal Water District and Eastern Municipal Water District (hereinafter referred to as
4 "INTERESTED PARTIES"). A true and correct copy of the Lot Book Report is attached hereto and
5 incorporated herein by reference as Exhibit "C."

6 5. On January 11, 2016, I arrived at THE PROPERTY to conduct an inspection. I met with
7 OWNER Walter Pinto who granted permission to inspect. I observed accumulated rubbish on THE
8 PROPERTY which consisted of, but was not limited to: drywall, tires, furniture, household items, spent
9 building materials, scrap lumber and trash. This condition causes THE PROPERTY to constitute a public
10 nuisance in violation of the provisions set forth in Riverside County Ordinance ("RCO") No. 541.

11 6. On January 12, 2016, a Notice of Violation for accumulated rubbish was posted on THE
12 PROPERTY.

13 7. On January 14, 2016, a Notice of Violation was mailed to OWNERS by first class mail.

14 8. On May 4, 2016, a Notice of Violation was mailed to OWNERS and INTERESTED
15 PARTIES by certified mail, return receipt requested.

16 9. On June 1, 2016, a Notice of Violation was mailed to INTERESTED PARTY Elsinore
17 Valley Municipal Water District by certified mail, return receipt requested.

18 10. True and correct copies of each Notice issued in this matter and other supporting
19 documentation are attached hereto and incorporated herein by reference as Exhibit "D."

20 11. A site plan and photographs depicting the conditions of THE PROPERTY are attached
21 hereto and incorporated herein by reference as Exhibit "E."

22 12. There have been approximately five (5) subsequent follow up inspections, with the last
23 inspection occurring on June 13, 2016. I observed additional rubbish on THE PROPERTY. This
24 additional rubbish consisted of, but not limited to: drywall, household items, furniture, clothing, tires,
25 scrap lumber, green waste, metal and car parts, of about 37,840 square feet. Each inspection revealed
26 the accumulated rubbish remained on THE PROPERTY in violation of RCO No. 541.

27 ///

28 ///

1 13. Based upon my experience, knowledge and visual observations, it is my determination
2 that the conditions on THE PROPERTY are dangerous to the neighboring property owners and the
3 general public.

4 14. Furthermore, a recent inspection showed THE PROPERTY remained in violation of RCO
5 No. 541.

6 15. A Notice of Pendency of Administrative Proceedings was recorded in the Office of the
7 County Recorder, County of Riverside, State of California, on May 13, 2016, as Instrument Number
8 2016-0196058. A true and correct copy of Notice of Pendency of Administrative Proceedings which is
9 attached hereto and incorporated herein by reference as Exhibit "F."

10 16. A "Notice to Correct County Ordinance Violations and Abate Public Nuisance" providing
11 notification of the Board of Supervisors' hearing as required by RCO No. 725 was mailed to OWNERS
12 and INTERESTED PARTIES by first class mail and was posted on THE PROPERTY. True and correct
13 copies of the Notice, together with the Proof of Service, and the Affidavit of Posting of Notices are
14 attached hereto and incorporated herein by reference as Exhibit "G."

15 17. Removal of all accumulated rubbish on THE PROPERTY is required to bring THE
16 PROPERTY into compliance with RCO No. 541, and the Health and Safety Code. Under RCO No. 541,
17 no amount of rubbish is allowed to accumulate on THE PROPERTY.

18 18. Accordingly, the following findings and conclusions are recommended:

19 (a) the accumulation of rubbish on THE PROPERTY be deemed and declared a
20 public nuisance;

21 (b) the OWNERS or whoever has possession or control of THE PROPERTY, be
22 required to remove all accumulated rubbish within ninety (90) days of the date of the posting and mailing
23 of the Board's Order to Abate Nuisance, in accordance with all Riverside County Ordinances, including
24 but not limited to the provision of RCO No. 541;

25 ///

26 ///

27 ///

28 ///

1 (c) in the event the rubbish is not removed and disposed of during the above
2 referenced ninety (90) day time period in strict accordance with all Riverside County Ordinances,
3 including but not limited to RCO No. 541, the rubbish may be abated and disposed of by representatives
4 of the Riverside County Code Enforcement Department, a contractor, or the Sheriff's Department upon
5 receipt of an owner's consent or a Court Order when necessary under applicable law.

6 (d) that reasonable costs of abatement, after notice and opportunity for hearing, shall
7 be imposed as a lien on THE PROPERTY, which may be collected as a special assessment against THE
8 PROPERTY pursuant to Government Code Section 25845 and RCO No. 725.

9 I declare under penalty of perjury under the laws of the State of California that the
10 foregoing is true and correct.

11 Executed this _____ day of _____, 2016, at _____,
12 California

13
14 _____
15 THOMAS MCMULLEN
16 Code Enforcement Officer
17 Code Enforcement Department
18
19
20
21
22
23
24
25
26
27
28

1 **BOARD OF SUPERVISORS**
2 **COUNTY OF RIVERSIDE**

3 IN RE ABATEMENT OF PUBLIC NUISANCE) CASE NO. CV16-00119
4 [ACCUMULATED RUBBISH]; APN: 391-170-011,)
5 14509 LAKE STREET, LAKE ELSINORE, COUNTY) DECLARATION OF CODE
6 OF RIVERSIDE, STATE OF CALIFORNIA;) ENFORCEMENT OFFICER
7 WALTER A. PINTO AND EMPERATRIZ R. PINTO,) THOMAS MCMULLEN
8 OWNERS.)
9 _____) [RCO Nos. 541 & 725]

10 I, Thomas McMullen, declare that the facts set forth below are personally known to me except to
11 the extent that certain information is based on information and belief which I believe to be true, and if
12 called as a witness, I could and would competently testify thereof under oath:

13 1. I am currently employed by the Riverside County Code Enforcement Department as a
14 Code Enforcement Officer. My current official duties as a Code Enforcement Officer include inspecting
15 properties for violations and enforcement of the provisions of Riverside County Ordinances.

16 2. On January 11, 2016, I conducted an inspection of the real property described as 14509
17 Lake Street, Lake Elsinore, Riverside County, California and further described as Assessor's Parcel
18 Number 391-170-011 (hereinafter described as "THE PROPERTY"). A true and correct copy of a
19 Thomas Brothers map page indicating the location of THE PROPERTY is attached hereto and
20 incorporated herein by reference as Exhibit "A."

21 3. A review of County records and documents disclosed that THE PROPERTY is owned by
22 Walter A. Pinto and Emperatriz R. Pinto (hereinafter referred to as "OWNERS"). A certified copy of the
23 County Equalized Assessment Roll for the 2015-2016 tax year and a copy of the report generated from
24 the County Geographic Information System ("GIS") is attached hereto and incorporated herein by
25 reference as Exhibit "B." Accumulated rubbish is not permitted on any property within the unincorporated
26 areas of the County of Riverside.

27 ///
28 ///

FORM APPROVED COUNTY COUNSEL
BY: *Sophia Choi* 8/27/16
DATE: _____
BY: SOPHIA M. CHOI

1 4. Based on the Lot Book Reports from RZ Title Service dated April 7, 2016, it is determined
2 that other parties may potentially hold a legal interest in THE PROPERTY, to wit: U.S. Bank N.A.,
3 Elsinore Valley Municipal Water District and Eastern Municipal Water District (hereinafter referred to as
4 "INTERESTED PARTIES"). A true and correct copy of the Lot Book Report is attached hereto and
5 incorporated herein by reference as Exhibit "C."

6 5. On January 11, 2016, I arrived at THE PROPERTY to conduct an inspection. I met with
7 OWNER Walter Pinto who granted permission to inspect. I observed accumulated rubbish on THE
8 PROPERTY which consisted of, but was not limited to: drywall, tires, furniture, household items, spent
9 building materials, scrap lumber and trash. This condition causes THE PROPERTY to constitute a public
10 nuisance in violation of the provisions set forth in Riverside County Ordinance ("RCO") No. 541.

11 6. On January 12, 2016, a Notice of Violation for accumulated rubbish was posted on THE
12 PROPERTY.

13 7. On January 14, 2016, a Notice of Violation was mailed to OWNERS by first class mail.

14 8. On May 4, 2016, a Notice of Violation was mailed to OWNERS and INTERESTED
15 PARTIES U.S. Bank N.A. and Eastern Municipal Water District by certified mail, return receipt requested.

16 9. On June 1, 2016, a Notice of Violation was mailed to INTERESTED PARTY Elsinore
17 Valley Municipal Water District by certified mail, return receipt requested.

18 10. True and correct copies of each Notice issued in this matter and other supporting
19 documentation are attached hereto and incorporated herein by reference as Exhibit "D."

20 11. A site plan and photographs depicting the conditions of THE PROPERTY are attached
21 hereto and incorporated herein by reference as Exhibit "E."

22 12. There have been approximately five (5) subsequent follow up inspections, with the last
23 inspection occurring on June 13, 2016. I observed additional rubbish on THE PROPERTY. This
24 additional rubbish consisted of, but not limited to: drywall, household items, furniture, clothing, tires,
25 scrap lumber, green waste, metal and car parts, of about 37,840 square feet. Each inspection revealed
26 the accumulated rubbish remained on THE PROPERTY in violation of RCO No. 541.

27 ///

1 13. Based upon my experience, knowledge and visual observations, it is my determination
2 that the conditions on THE PROPERTY are dangerous to the neighboring property owners and the
3 general public.

4 14. Furthermore, a recent inspection showed THE PROPERTY remained in violation of RCO
5 No. 541.

6 15. A Notice of Pendency of Administrative Proceedings was recorded in the Office of the
7 County Recorder, County of Riverside, State of California, on May 13, 2016, as Instrument Number
8 2016-0196058. A true and correct copy of Notice of Pendency of Administrative Proceedings which is
9 attached hereto and incorporated herein by reference as Exhibit "F."

10 16. A "Notice to Correct County Ordinance Violations and Abate Public Nuisance" providing
11 notification of the Board of Supervisors' hearing as required by RCO No. 725 was mailed to OWNERS
12 and INTERESTED PARTIES by first class mail and was posted on THE PROPERTY. True and correct
13 copies of the Notice, together with the Proof of Service, and the Affidavit of Posting of Notices are
14 attached hereto and incorporated herein by reference as Exhibit "G."

15 17. Removal of all accumulated rubbish on THE PROPERTY is required to bring THE
16 PROPERTY into compliance with RCO No. 541, and the Health and Safety Code. Under RCO No. 541,
17 no amount of rubbish is allowed to accumulate on THE PROPERTY.

18 18. Accordingly, the following findings and conclusions are recommended:

19 (a) the accumulation of rubbish on THE PROPERTY be deemed and declared a
20 public nuisance;

21 (b) the OWNERS or whoever has possession or control of THE PROPERTY, be
22 required to remove all accumulated rubbish within ninety (90) days of the date of the posting and mailing
23 of the Board's Order to Abate Nuisance, in accordance with all Riverside County Ordinances, including
24 but not limited to the provision of RCO No. 541;

25 ///

26 ///

27 ///

28 ///

1 (c) in the event the rubbish is not removed and disposed of during the above referenced
2 ninety (90) day time period in strict accordance with all Riverside County Ordinances, including but not
3 limited to RCO No. 541, the rubbish may be abated and disposed of by representatives of the Riverside
4 County Code Enforcement Department, a contractor, or the Sheriff's Department upon receipt of an
5 owner's consent or a Court Order when necessary under applicable law.

6 (d) that reasonable costs of abatement, after notice and opportunity for hearing, shall
7 be imposed as a lien on THE PROPERTY, which may be collected as a special assessment against THE
8 PROPERTY pursuant to Government Code Section 25845 and RCO No. 725.

9 I declare under penalty of perjury under the laws of the State of California that the
10 foregoing is true and correct.

11 Executed this 18th day of August, 2016, at Mead Valley,

12 California

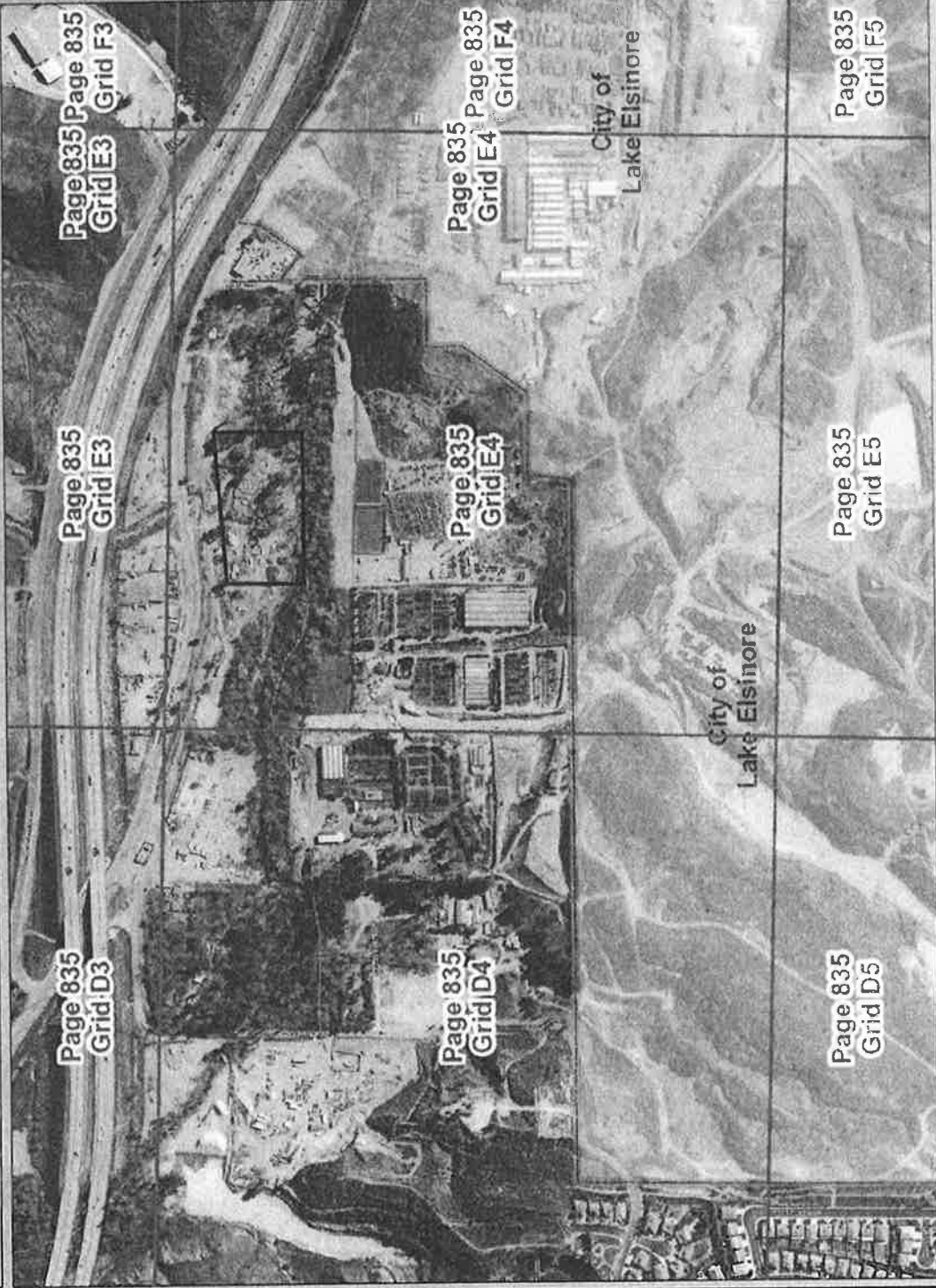
13 

14 _____
15 THOMAS MCMULLEN
16 Code Enforcement Officer
17 Code Enforcement Department
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT “A”

CV16-00119

14509 Lake Street, Lake Elsinore



Legend

- TBM Page
- TBM Grid
- City Boundaries
- Cities
- roadsanno
- highways
- HWY
- INTERCHANGE
- INTERSTATE
- OFFRAMP
- ONRAMP
- USHWY
- counties
- cities
- hydrographylines
- waterbodies
- Lakes
- Rivers

Notes

Thomas Bros Page 835
Grid E4

"IMPORTANT" Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.



0 813 1,626 Feet

REPORT PRINTED ON... 7/21/2016 3:44:46 PM

© Riverside County RCIT GIS

EXHIBIT “B”

Assessment Roll For the 2015-2016 Tax Year as of January 1,2015

Assessment #391170011-3	Parcel # 391170011-3
--------------------------------	-----------------------------

Assessee:	PINTO WALTER A	Land	34,789
Assessee:	PINTO EMPERATRIZ R	Structure	6,952
Mail Address:	17200 NEWHOPE ST APT 38A	Full Value	41,741
City, State Zip:	FOUNTAIN VALLEY CA 92708	Total Net	41,741
Real Property Use Code:	MR		
Base Year	2005		
Conveyance Number:	0685611		
Conveyance (mm/yy):	7/2007		
PUI:	M010012		
TRA:	65-030		
Taxability Code:	0-00		
ID Data:	SEE ASSESSOR MAPS		
Situs Address:	14509 LAKE ST LAKE ELSINORE CA 92530		

View Parcel Map



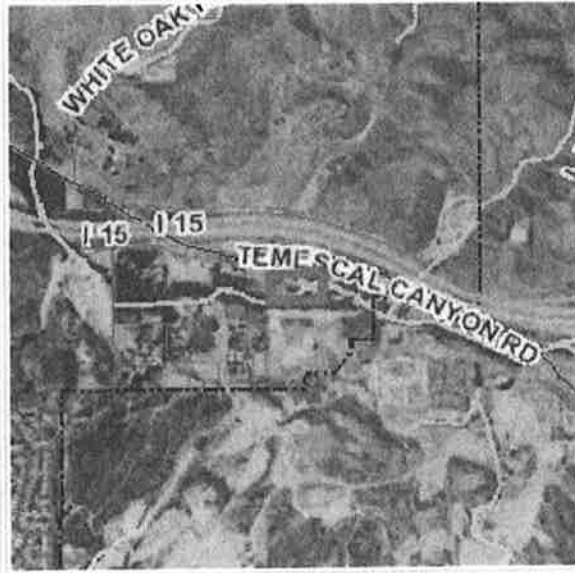
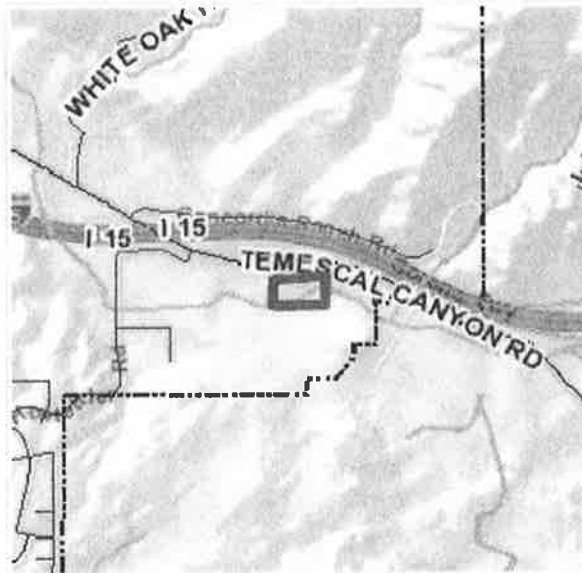


Riverside County Parcel Report

APN 391-170-011

Disclaimer

Report Date: Thursday, July 21, 2016



APN	<u>391-170-011-3</u>	Supervisorial District 2011	KEVIN JEFFRIES, DISTRICT 1
		Supervisorial District 2001	BOB BUSTER, DISTRICT 1
Previous APN	180400046	Township/Range	T5SR5W SEC 16
Owner Name	WALTER A PINTO EMPERATRIZ R PINTO	Elevation Range	1,196 - 1,204
Address	14509 LAKE ST LAKE ELSINORE, CA 92530	Thomas Bros. Map Page/Grid	PAGE: 835 GRID: E4
Mailing Address	17200 NEWHOPE ST APT 38A FOUNTAIN VALLEY CA, CA 92708	Indian Tribal Land	Not in Tribal Land
Legal Description	Recorded Page: Not Available Subdivision Name: Not Available Lot/Parcel: Not Available Block: Not Available Tract Number: Not Available	City Boundary/Sphere	Not within a City Boundary City Sphere: LAKE ELSINORE Annexation Date: Not Applicable No LAFCO Case # Available Proposals: Not Applicable

Lot Size	Recorded lot size is 5.37 acres	March Joint Powers Authority	NOT WITHIN THE JURISDICTION OF THE MARCH JOINT POWERS AUTHORITY
Property Characteristics	Constructed: 1973 Baths: 1.00 Bedrooms: 2 Central Cool: Y Central Heat: Y Const. Type: WOOD FRAME Prop Area: 672 SqFt Roof Type: COMPOSITION Stories: 1	County Service Area	Not in a County Service Area
Specific Plans	Not within a Specific Plan	Historic Preservation Districts	Not in an Historic Preservation District
Land Use Designations	RR	Agricultural Preserve	Not in an agricultural preserve
General Plan Policy Overlays	Not in a General Plan Policy Overlay Area	Redevelopment Areas	Not in a Redevelopment Area
Area Plan (RCIP)	Elsinore	Airport Influence Areas	Not in an Airport Influence Area
General Plan Policy Areas	TEMESCAL WASH POLICY AREA	Airport Compatibility Zones	Not in an Airport Compatibility Zone
Zoning Classifications (ORD. 348)	Zoning: C-P-S CZNumber: 5845	Zoning Districts and Zoning Areas	ALBERHILL, AREA
Zoning Overlays	Not in a Zoning Overlay	Community Advisory Councils	TEMESCAL CANYON (MAC)
CVMSHCP (Coachella Valley Multi-Species Habitat Conservation Plan) Plan Area	NOT WITHIN THE COACHELLA VALLEY MSHCP FEE AREA MSHCP Plan Area	WRMSHCP (Western Riverside County Multi-Species Habitat Conservation Plan) Cell Group	I
CVMSHCP (Coachella Valley Multi-Species Habitat Conservation Plan) Conservation Area	Not in a Conservation Area	WRMSHCP Cell Number	3750
CVMSHCP Fluvial Sand Transport Special Provision	Not in a Fluvial Sand Transport Special Provision Area	HANS/ERP (Habitat Acquisition and Negotiation)	None

Areas	None	Strategy/Expedited Review Process)	Developed or Disturbed Land
<u>WRMSHCP (Western Riverside County Multi-Species Habitat Conservation Plan) Plan Area</u>	None	Vegetation (2005)	Developed or Disturbed Land
Fire Hazard Classification (Ord. 787)	VERY HIGH	Fire Responsibility Area	SRA
<u>CVMSHCP (Coachella Valley Multi-Species Habitat Conservation Plan) Fee Area (Ord 875)</u>	NOT WITHIN THE COACHELLA VALLEY MSHCP FEE AREA MSHCP Fee Area	RBBB (Road & Bridge Benefit District)	Not in a District
<u>WRMSHCP (Western Riverside County Multi-Species Habitat Conservation Plan) Fee Area (Ord. 810)</u>	IN OR PARTIALLY WITHIN THE WESTERN RIVERSIDE MSHCP FEE AREA. SEE MAP FOR MORE INFORMATION	<u>DIF (Development Impact Fee Area Ord. 659)</u>	ELSINORE
<u>Western TUMF (Transportation Uniform Mitigation Fee Ord. 824)</u>	IN OR PARTIALLY WITHIN A TUMF FEE AREA. SEE MAP FOR MORE INFORMATION. SOUTHWEST	<u>SKR Fee Area (Stephen's Kagaroo Rat Ord. 663.10)</u>	In or partially within an SKR Fee Area
<u>Eastern TUMF (Transportation Uniform Mitigation Fee Ord. 673)</u>	NOT WITHIN THE EASTERN TUMF FEE AREA	DA (Development Agreements)	Not in a Development Agreement Area
Circulation Element Ultimate Right-of-Way	Not in a Circulation Element Right-of-Way	Road Book Page	35
		Transportation Agreements	Not in a Transportation Agreement
		CETAP (Community and Environmental Transportation Acceptability Process) Corridors	1
Flood Plan Review	*MAYBE REQUIRED,	Watershed	SANTA ANA RIVER

	CONTACT RIVERSIDE COUNTY FLOOD CONTROL TO VERIFY		
Water District	WMWD	California Water Board	None
Flood Control District	RIVERSIDE COUNTY FLOOD CONTROL DISTRICT		
Fault Zone	Not in a Fault Zone	Paleontological Sensitivity	Low Potential: FOLLOWING A LITERATURE SEARCH, RECORDS CHECK AND A FIELD SURVEY, AREAS MAY BE DETERMINED BY A QUALIFIED VERTEBRATE PALEONTOLOGIST AS HAVING LOW POTENTIAL FOR CONTAINING SIGNIFICANT PALEONTOLOGICAL RESOURCES SUBJECT TO ADVERSE IMPACTS.
Faults	WITHIN A 1/2 MILE OF Walker Canyon Fault		
Liquefaction Potential	Moderate		
Subsidence	Susceptible		
School District	LAKE ELSINORE UNIFIED	Tax Rate Areas	
Communities	Horsethief Canyon		ELSINORE VALLEY CEMETERY ELSINORE VALLEY MUNICIPAL WATER ELSINORE VLY MUNI WTR IMP DIST 1 FLOOD CONTROL ADMIN FLOOD CONTROL ZN 2 GENERAL GENERAL PURPOSE LAKE ELSINORE UNI IMP NO 96-1 LAKE ELSINORE UNIFIED MT SAN JACINTO JR COLLEGE MWD WEST 1302999
Lighting (Ord. 655)	Zone B, 40.47 Miles From Mt. Palomar Observatory		
2010 Census Tract	043007		
Farmland	LOCAL IMPORTANCE OTHER LANDS		RIV CO REGIONAL

Special Notes No Special Notes

PARK & OPEN SP
RIV CORONA
RESOURCE
CONSERVATION
RIVERSIDE CO OFC
OF EDUCATION
SO. CALIF, JT
(19,30,33,36,37,56)
WESTERN
MUNICIPAL WATER

Building Permits

Case #	Description	Status
No Building Permits	Not Applicable	Not Applicable

Environmental Health Permits

Case #	Description	Status
No Environmental Health Permits	Not Applicable	Not Applicable

Planning Cases

Case #	Description	Status
CUP03342	OUTDOOR EVENT SITE FOR WEEKENDS ONLY, FOR A 5 YEAR	WITHDRWN
EA38347	EA FOR CUP03342 (OUTDOOR EVENT SITE)	WITHDRWN

Code Cases

Case #	Description	Status
CV1008430	ABATEMENT	OPEN
CV1203472	ABATEMENT	OPEN
CV1600119	ABATEMENT	OPEN
CV1602706	VEHICLE ABATEMENT	OPEN
SE1301274	SPECIAL ENFORCEMENT	OPEN

EXHIBIT “C”



P.O. Box 1193
 Whittier, CA 90609
 Tel # (562) 325-8351
 Fax # (714) 783-3038

Lot Book Report

Order Number: **35393**

Customer:

RIVERSIDE COUNTY TLMA-CODE ENFORCEMENT
 4080 Lemon Street
 Riverside CA 92501

Order Date: 4/18/2016
 Dated as of: 4/7/2016
 County Name: Riverside

Attn: Brent Steele
 Reference: CV16-00119 / Angie Solis
 IN RE: PINTO, WALTER

FEE(s):
 Report: \$124.80

Property Address: 14509 Lake Street
 Lake Elsinore CA

Assessor's Parcel No. : 391-170-011-3

Assessments:

Land Value:	\$34,789.00
Improvement Value:	\$6,952.00
Exemption Value:	\$0.00
Total Value:	\$41,741.00

Tax Information

Property Taxes for the Fiscal Year	2015-2016
First Installment	\$239.70
Penalty	\$23.97
Status	NOT PAID-DELINQUENT
Second Installment	\$239.70
Penalty	\$0.00
Status	OPEN NOT-PAID (DUE DATE 04/10/2016)
Prior Delinquencies for tax defaulted year(s)	2006-2014 and 2004 Supplemental Bill#052602890-6
Redemption Amount	\$10,297.98
If paid by	04/30/2016



P.O. Box 1193
Whittier, CA 90609
Tel # (562) 325-8351
Fax # (714) 783-3038

Order Number: 35393
Reference: CV16-00119 / Ang

Property Vesting

The last recorded document transferring title of said property

Dated	06/03/2004
Recorded	08/30/2004
Document No.	2004-0685611
D.T.T.	\$720.50
Grantor	Shelby Charles Cline as to an undivided 20% interest and Jack Eugene Cline as to an undivided 20% interest and Peggy Janell Gallup as to an undivided 20% interest and Jerry Robert Cline as to an undivided 20% interest and James Edward Cline as to an undivided 20% interest
Grantee	Walter A. Pinto and Emperatriz R. Pinto, husband and wife as joint tenants

Affects Property in Question and Other Property

Deeds of Trust

Position No.	1st
A Deed of Trust Dated	08/24/2004
Recorded	08/30/2004
Document No.	2004-0685612
Amount	\$458,500.00
Trustor	Walter A. Pinto and/or Emperatriz R. Pinto
Trustee	U.S. Bank N.A.
Beneficiary	U.S. Bank N.A.

Affects Property in Question and Other Property

Document Type:	Memorandum of Lease
Recorded	08/30/2004



P.O. Box 1193
Whittier, CA 90609
Tel # (562) 325-8351
Fax # (714) 783-3038

Order Number: 35393
Reference: CV16-00119 / Ang

Document No.	2004-0685613
Subordination Agreement Recorded	08/30/2004
Document No.	2004-0685614

Additional Information

Notice of Non-Compliance filed by	County of Riverside Code Enforcement Department
In the matter of the property of	Walter A. and Emperatriz R. Pinto
Case No.	CV10-09081
Recorded	03/11/2011
Document No.	2011-0113062

A Notice of Administrative Proceedings by the	
City of	Murrieta
County of	Riverside
Recorded	12/05/2011
Document No.	2011-0534493

A Notice of Lien Recorded	02/07/2013
Document No.	2013-066833
Amount	\$128.97
Owner	Walter Pinto
Claimant	Elsinore Valley Municipal Water District

A Notice of Administrative Proceedings by the	
City of	Perris
County of	Riverside
Recorded	09/05/2013
Document No.	2013-0436227

A Notice of Administrative Proceedings by the	
City of	Perris
County of	Riverside
Recorded	04/22/2014



P.O. Box 1193
Whittier, CA 90609
Tel # (562) 325-8351
Fax # (714) 783-3038

Order Number: 35393

Reference: CV16-00119 / Ang

Document No.	2014-0146627
Abstract of Judgment Filed in the	Superior Court of California, County of Orange - Central Justice Center
Case No.	06CC03857
Recorded	02/08/2007
Document No.	2007-0095296
Amount	\$60,895.53
Debtor	Walter Pinto
Creditor	Smith Orange County Partnership-I a California limited partnership
Abstract of Judgment Filed in the	Superior Court of California, County of Orange - West Justice Center
Case No.	06WS02935
Recorded	04/06/2007
Document No.	2007-0234663
Amount	\$5,046.85
Debtor	Walter A. Pinto; et al
Creditor	Jon Pierre Paradis
A Notice of Lien Recorded	07/02/2012
Document No.	2012-0306092
Amount	\$186.12
Owner	Walter Angel Pinto and Emperatriz Rosario Pinto
Claimant	Eastern Municipal Water District
Notice of Power to Sell Tax-Defaulted Property	
Recorded	08/03/2012
Document No.	2012-0367229
A Bankruptcy filed by	Walter Pinto and Emperatriz Pinto
Social Security Number(s)	None Shown
Date filed	07/12/2010
Case No.	31551

Legal Description



P.O. Box 1193
Whittier, CA 90609
Tel # (562) 325-8351
Fax # (714) 783-3038

Order Number: 35393

Reference: CV16-00119 / Ang

THE LAND REFERRED TO IN THIS REPORT IS LOCATED IN AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684 PAGES 578 OF DEEDS, RECORDS OF RIVERISE COUNTY, CALIFORNIA.

PARCEL 2:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER 175.00 FEET; THENCE EAST, 660.00 FEET THENCE NORTH, 175.00 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SOUTHWEST QUARTER; THENCE WEST, ALONG SAID NORTH LINE, 660.00 FEET TO THE POINT OF BEGINNING.

18-4
391-17

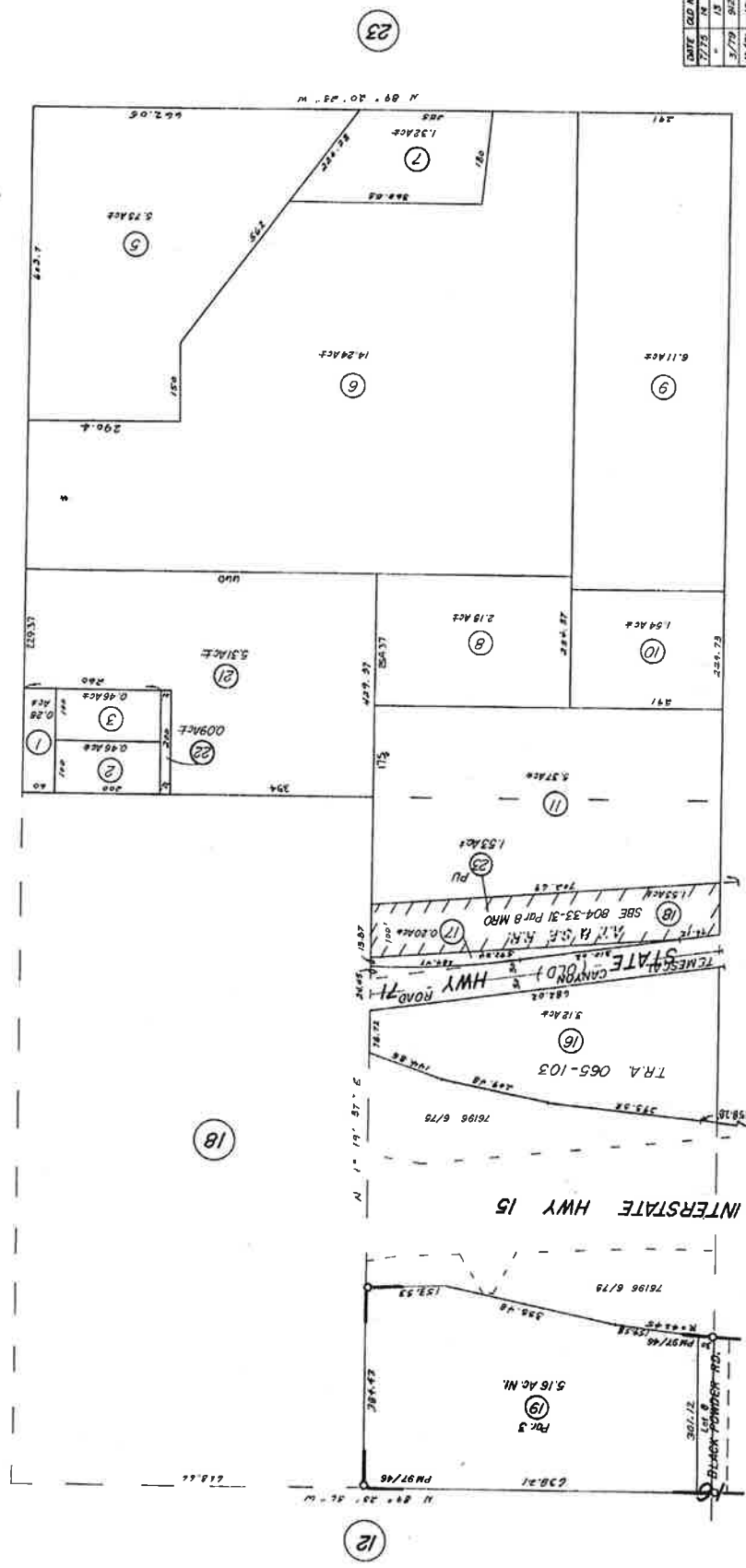
T.R.A. 065-030
065-103

FOR. W 1/2 SE 1/4 SEC. 16 T. 5S., R. 5W.

THIS MAP IS FOR
ASSESSMENT PURPOSES ONLY



20



DATE	OLD No.	NEW No.
7/75	18	15, 16, 17, 18, 19
3/79	20	18
11/81	15	19, 20
2/85	4	21, 22
4/85	18	23

P.M. 97146-47 Parcel Map No. 16232

16

DATA: HWY 6/76 MAP 97-71 (7-15)
S.B.E. MAP 80-4-35-31
R.S. 88/76-82

ASSESSOR'S MAP BK. 391 PG. 17
RIVERSIDE COUNTY, CALIF.

JULY 1975

12

23

RECORDING REQUESTED BY:
FIRST AMERICAN TITLE

AND WHEN RECORDED MAIL TO:

Walter A. Pinto
17200 Newhope St., # 38
Fountain Valley, CA 92708

Order No.: 95159
Escrow No.: SA-106627-CK
A.P.N.: 391-160-003

NCS-95159
TRA:068-032



M	S	U	PAGE	SIZE	DA	PCOR	NOCOR	SMF	MISC	
	1		9							
									16	
A	R	L				COPY	LONG	REFUND	NCHG	EXAM

31

GRANT DEED



THE UNDERSIGNED GRANTOR(S) DECLARE(S)
DOCUMENTARY TRANSFER TAX IS \$720.50 CITY TRANSFER TAX IS \$

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale.
- unincorporated area City of Lake Elsinore AND

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Shelby Charles Cline as to an undivided 20% interest and Jack Eugene Cline as to an undivided 20% interest and Peggy Janell Gallup as to an undivided 20% interest and Jerry Robert Cline as to an undivided 20% interest and James Edward Cline as to an undivided 20% interest

hereby GRANT(S) to

WALTER A. PINTO and EMPERATRIZ R. PINTO, HUSBAND AND WIFE AS JOINT TENANTS

the following described real property in the County of **Riverside**, State of California:

See Exhibit "A" attached hereto and made a part hereof.

Dated: **June 3, 2004**

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE CALIFORNIA } ss.

On 6-22-04 before me

a Notary Public in and for said County and State,
personally appeared

personally known to me (or 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.

WITNESS my hand and official seal.

Signature _____
Signature of Notary

Shelby Charles Cline
Shelby Charles Cline

Jack Eugene Cline
Jack Eugene Cline

Peggy Janell Gallup
Peggy Janell Gallup

Jerry Robert Cline
Jerry Robert Cline

James Edward Cline
James Edward Cline

GUIDENA M. EVANS - NOTARY PUBLIC
STATE OF ARKANSAS, FAULKNER COUNTY
COMMISSION EXPIRES MAY 1, 2012

Commission Expiration Date: _____

(This area for official notarial seal)

MAIL TAX STATEMENTS TO: Walter A. Pinto @ address shown hereinabove



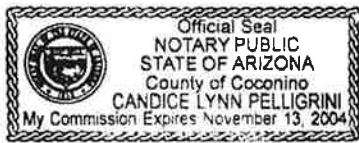
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of ~~California~~ ARIZONA }
County of COCONINO } ss.

On July 2, 2004 before me, Candice Lynn Pelligrini, Notary
personally appeared Jack Eugene Cline

personally known to me
 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.



WITNESS my hand and official seal.

Candice Lynn Pelligrini
Signature of Notary Public

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: Grant Deed
Document Date: June 3, 2004 Number of Pages: (1) one
Signer(s) Other Than Named Above: SHELBY CHARLES CLINE / PEGGY JANELL GALLUP / JERRY ROBERT CLINE / JAMES EDWARD CLINE

Capacity(ies) Claimed by Signer

Signer's Name: JACK EUGENE CLINE

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

Signer Is Representing: himself



ILLEGIBLE NOTARY SEAL DECLARATION

Government Code Section 27361.7

I certify under penalty of perjury that the notary seal on the document to which this statement attached reads as follows:

Name of Notary: CANDICE LYNN PELLIGRINI


Date Commission Expires: NOV. 13, 2004

Notary Identification No:
(for Notaries commissioned at 1/1/92) _____

Manufacturer/Vendor Identification No:
(for Notaries commissioned at 1/1/92) _____

Place of Execution of this Declaration: Riverside

Date: 8-25-04


FIRST AMERICAN TITLE INSURANCE COMPANY

Authorized Signatory

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of RIVERSIDE } ss.

On JUNE 22 2004 before me, KIMBERLY L. RUMMEL, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared SHELBY CHARLES CUNE
Name(s) of Signer(s)

personally known to me
 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.



WITNESS my hand and official seal
[Signature]
Signature of Notary Public

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: GRANT DEED
Document Date: 6-3-04 Number of Pages: 1
Signer(s) Other Than Named Above: JERRY ROBERT CUNE

Capacity(ies) Claimed by Signer

Signer's Name: SHELBY CHARLES CUNE
 Individual
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Attorney-in-Fact
 Trustee
 Guardian or Conservator
 Other: _____

Signer is Representing: HIMSELF



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of RIVERSIDE } ss.

On JUNE 22, 2004 before me, KIMBERLY L. RUMMEL, NOTARY Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared JERRY ROBERT CUNE
Name(s) of Signer(s)

personally known to me
 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.



WITNESS my hand and official seal.
[Signature]
Signature of Notary Public

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: GRANT DEED

Document Date: 6-3-04 Number of Pages: 1

Signer(s) Other Than Named Above: SHELBY CHARLES CUNE

Capacity(ies) Claimed by Signer

Signer's Name: JERRY ROBERT CUNE

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

Signer Is Representing: HIMSELF

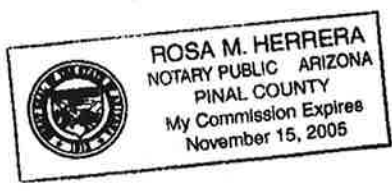


CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of Arizona
County of Pinal } ss.
On 6-28-04 before me, ROSA M. HERRERA
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared JAMES E. Cline
Name(s) of Signer(s)

personally known to me
 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.



WITNESS my hand and official seal.
Rosa M. Herrera
Signature of Notary Public

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: Grant Deed
Document Date: 6-3-04 Number of Pages: 1
Signer(s) Other Than Named Above: James Edward Cline

Capacity(ies) Claimed by Signer

Signer's Name: James Edward Cline
 Individual
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Attorney-in-Fact
 Trustee
 Guardian or Conservator
 Other: _____
Signer is Representing: Himself



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California Arkansas } ^{GHE}

County of Faulkner } ss.

On 7/07/2004 before me, GUIDENA M. EVANS
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Peggy Janelle Gallup
Name(s) of Signer(s)

personally known to me
 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.

**GUIDENA M. EVANS - NOTARY PUBLIC
 STATE OF ARKANSAS, FAULKNER COUNTY
 MY COMMISSION EXPIRES MAY 1, 2012**

Place Notary Seal Above

[Signature]
 Signature of Notary Public

WITNESS my hand and official seal.

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: Grant Deed

Document Date: June 3, 2004 Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: Peggy Janelle Gallup

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

Signer Is Representing: herself



EXHIBIT "A"

Real Property in the unincorporated area of the County of Riverside, State of California, described as follows:

PARCEL 1:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684, PAGE 578 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION;
THENCE SOUTH ALONG THE EAST LINE THEREOF, 175 FEET;
THENCE WEST, 660 FEET;
THENCE NORTH 175 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER;
THENCE EAST ALONG SAID NORTH LINE, 660 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684 PAGE 578 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 4:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER
OF THE SOUTHEAST QUARTER OF SAID SECTION:
THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER OF
THE SOUTHEAST QUARTER 175 FEET;
THENCE EAST, 660 FEET;
THENCE NORTH, 175 FEET TO THE NORTH LINE OF THE SOUTHWEST
QUARTER OF SOUTHEAST QUARTER;
THENCE WEST, ALONG SAID NORTH LINE, 660 FEET TO THE POINT OF
BEGINNING.

RECORDING REQUESTED BY:

First American Title

WHEN RECORDED MAIL TO:

JENINE MASON

U.S. BANK N.A.

LM CA HB-2 CLOSING AUDIT DEPT.

9918 HIBERT STREET

SAN DIEGO, CA 92131

DOC # 2004-0685612

08/30/2004 08:00A Fee:62.00

Page 1 of 14

Recorded In Official Records

County of Riverside

Gary L. Orso

Assessor, County Clerk & Recorder



M	S	U	PAGE	SIZE	DA	POOR	NOCOR	SMP	MISC
✓	3		14		1				
									VG
A	R	L			COPY	LONG	REFUND	NECHG	EXAM

NCS 95159

TRUST DEED, SECURITY AGREEMENT AND
ASSIGNMENT OF RENTS AND LEASES

62

T
TC

THIS AREA
FOR
RECORDER'S
USE ONLY

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(\$3.00 Additional Recording Fee Applies)

STC-SCSD 996a (Rev 8/97)

Public Record

Recording requested by and after
recording return to:

Jenine Mason
U.S. BANK N.A.
LM CA HB-2 CLOSING AUDIT DEPT.
9918 HIBERT ST.
SAN DIEGO CA 92131

Check as applicable:

THE PROMISSORY NOTE(S) SECURED BY THIS DEED OF TRUST MAY PROVIDE FOR A VARIABLE RATE OF INTEREST.



**TRUST DEED, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS AND LEASES
(INCLUDING FIXTURE FILING UNDER UNIFORM COMMERCIAL CODE)**

6517381233

CALIFORNIA REAL ESTATE

This California Trust Deed, Security Agreement and Assignment of Rents and Leases (Including Fixture Filing Under Uniform Commercial Code) ("Deed of Trust") is made and entered into by the undersigned borrower(s), guarantor(s) and/or other obligor(s)/pledgor(s) (collectively the "Trustor") in favor of U.S. BANK N.A.

, having a mailing address of 9918 HIBERT ST., SAN DIEGO, CA 92131
(the "Trustee"), for the benefit of U.S. BANK N.A.

(the "Beneficiary"), as of the date set forth below.

ARTICLE I. CONVEYANCE/MORTGAGED PROPERTY

1.1 Grant of Deed of Trust/Security Interest. Trustor, in consideration of the acceptance by Trustee of the trust hereunder, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the Obligations described in Section 1.3 below, irrevocably grants, bargains, sells, and conveys to Trustee and its successors in trust and assigns, forever, in trust, with power of sale, all of Trustor's estate, right, title, interest, claim and demand in and to the Mortgaged Property described in Section 1.2 below, whether now existing or hereafter acquired. To the extent any of the Mortgaged Property is personal property, Trustor, as debtor, grants to Beneficiary, as secured party, a security interest therein together with a security interest in all other personal property of whatsoever nature which is located on or used or to be used in connection with any of the Mortgaged Property, and any products or proceeds of any thereof, pursuant to the Uniform Commercial Code of the State of California (the "UCC"), on the terms and conditions contained herein. Beneficiary hereby assigns such security interest to Trustee, in trust, for the benefit of Beneficiary to be dealt with as a portion of the "Mortgaged Property" except as otherwise specified herein.

1.2 "Mortgaged Property" means all of the following, whether now owned or existing or hereafter acquired by the Trustor, wherever located: all the land described below or in **Exhibit A** attached hereto and all tenements, hereditaments, rights-of-way, easements, appendages, licenses, privileges and appurtenances thereto belonging or in any way appertaining, including without limitation all of the right, title and interest of Trustor in and to any avenues, streets, ways, alleys, vaults, strips or gores of land adjoining that property, all rights to water, water stock, drains, drainage and air rights relating to that property, and all claims or demands of Trustor either in law or in equity in possession or expectancy of, in and to that property (the "Land"), together with all buildings, structures, standing timber, timber to be cut, fixtures, equipment, inventory and furnishings used in connection with the Land and improvements; all materials, contracts, drawings and personal property relating to any construction on the Land; and all other improvements now or hereafter constructed, affixed or located thereon (the "Improvements") (the Land and the Improvements collectively the "Premises"); TOGETHER with any and all leases or other agreements for the use or occupancy of the Premises, all the rents, issues, royalties and profits (including mineral, oil and gas rights and profits) or any proceeds therefrom and all security deposits and any guaranty of a tenant's obligations thereunder; all awards as a result of condemnation, eminent domain or other decrease in value of the Premises and all insurance and other proceeds of the Premises; and any and all rights of Trustor in any and all accounts, rights to payment, contract rights, chattel paper, documents, instruments, licenses, contracts, agreements and general intangibles relating to any of the Mortgaged Property, including, without

limitation, income and profits derived from the operation of any business on the Premises or attributable to services that occur or are provided on the Premises or generated from the use and operation of the Mortgaged Property.

The Land is described as follows (or in Exhibit A hereto if the description does not appear below):

See Attached Exhibit A

1.3 "Obligations" means (a) the obligations contained herein; (b) the payment of \$ 458,500.00 with interest thereon and all other amounts payable according to one or more of the following (check as applicable):

the terms of a promissory note in the principal amount of \$ 458,500.00 dated AUGUST 19, 2004 made by Walter A. Pinto and/or Emperatriz R. Pinto

("Borrower"), payable to Beneficiary or order (if checked here, said promissory note contains provision for a variable rate of interest),

the terms of a promissory note in the principal amount of \$ _____ dated _____ made by Borrower, payable to Beneficiary or order (if checked here, said promissory note contains provision for a variable rate of interest),

the terms of a promissory note in the principal amount of \$ _____ dated _____ made by Borrower, payable to Beneficiary or order (if checked here, said promissory note contains provision for a variable rate of interest),

the terms of a promissory note in the principal amount of \$ _____ dated _____ made by Borrower, payable to Beneficiary or order (if checked here, said promissory note contains provision for a variable rate of interest),

a guaranty dated _____ made by Trustor to the benefit of Beneficiary

Other: _____

and any and all extensions, renewals, modifications or replacements of any of the above, whether the same be in greater or lesser amounts (the above being collectively referred to as the "Note"); (c) any and all sums advanced or expenditures made by Beneficiary subsequent to the execution of this Deed of Trust for the maintenance or preservation of the Mortgaged Property or advanced or expended by Beneficiary pursuant to any provision of this Deed of Trust subsequent to its execution, together with interest thereon; and (d) additional sums and interest thereon which may hereafter be loaned to or guaranteed by Trustor, or Trustor's successors or assigns, when evidenced by a promissory note, guaranty or other document reciting that such sums are secured by this Deed of Trust.

1.4 Homestead. The Premises are not (are)(are not) the homestead of the Trustor. If so, the Trustor releases and waives all rights under and by virtue of the homestead exemption laws of the State of California.

ARTICLE II. WARRANTIES AND COVENANTS

In addition to all other warranties and covenants of the Trustor under the Note and any other instrument, document or agreement evidencing or securing the Obligations ("Loan Documents"), which are expressly incorporated herein as part of this Deed of Trust, including the covenants to pay and perform all Obligations, and while any part of the credit granted the Trustor under the Loan Documents is available or any Obligations of the Trustor to the Beneficiary are unpaid or outstanding, the Trustor continuously warrants to the Beneficiary and the Trustee and agrees as follows:

2.1 Warranty of Title/Possession. The Trustor warrants that it has sole and exclusive title to and possession of the Premises, excepting only the following "Permitted Encumbrances": restrictions and easements of record, and zoning

ordinances (the terms of which are and will be complied with, and in the case of easements, are and will be kept free of encroachments), taxes and assessments not yet due and payable and those Permitted Encumbrances set forth on Exhibit B attached hereto (except that if no Exhibit B is attached, there will be no additional Permitted Encumbrances). The lien of this Deed of Trust, subject only to Permitted Encumbrances, is and will continue to be a valid first and, except as permitted in section 2.3, only lien upon all of the Mortgaged Property.

2.2 Maintenance; Waste; Alteration. The Trustor will maintain the Premises in good and tenantable condition and will restore or replace damaged or destroyed improvements with items of at least equal utility and value. The Trustor will not commit or permit waste to be committed on the Premises. The Trustor will not remove, demolish or materially alter any part of the Premises without the Beneficiary's prior written consent, except the Trustor may remove a fixture, provided the fixture is promptly replaced with another fixture of at least equal utility. The replacement fixture will be subject to the priority lien and security of this Deed of Trust.

2.3 Transfer and Liens. The Trustor will not, without the prior written consent of the Beneficiary, which may be withheld in the Beneficiary's sole and absolute discretion, either voluntarily or involuntarily (a) sell, assign, lease or transfer, or permit to be sold, assigned, leased or transferred, any part of the Premises, or any interest therein; or (b) pledge or otherwise encumber, create or permit to exist any mortgage, pledge, lien or claim for lien or encumbrance upon any part of the Premises or interest therein, except for the Permitted Encumbrances. Notwithstanding the foregoing, if the Premises consists of one to four units of residential property, the Trustor may, without obtaining the consent of the Beneficiary, encumber the Premises with one or more mortgages or deeds of trust which are subordinate to the lien of this Deed of Trust. Beneficiary has not consented and will not consent to any contract or to any work or to the furnishing of any materials which might be deemed to create a lien or liens superior to the lien of this Deed of Trust.

2.4 Escrow. After written request from the Beneficiary, the Trustor will pay to the Beneficiary sufficient funds at such time as the Beneficiary designates, to pay (a) the estimated annual real estate taxes and assessments on the Premises; and (b) all property or hazard insurance premiums when due. Interest will not be paid by the Beneficiary on any escrowed funds. Escrowed funds may be commingled with other funds of the Beneficiary. All escrowed funds are hereby pledged as additional security for the Obligations.

2.5 Taxes, Assessments and Charges. To the extent not paid to the Beneficiary under 2.4 above, the Trustor will pay before they become delinquent all taxes, assessments and other charges now or hereafter levied or assessed against the Premises, against the Beneficiary based upon this Deed of Trust or the Obligations secured by this Deed of Trust, or upon the Beneficiary's interest in the Premises, and deliver to the Beneficiary receipts showing timely payment.

2.6 Insurance. The Trustor will continually insure the Premises against such perils or hazards as the Beneficiary may require, in amounts, with acceptable co-insurance provisions, not less than the unpaid balance of the Obligations or the full replacement value of the Improvements, whichever is less. The policies will contain an agreement by each insurer that the policy will not be terminated or modified without at least thirty (30) days' prior written notice to the Beneficiary and will contain a mortgage clause acceptable to the Beneficiary; and the Trustor will take such other action as the Beneficiary may reasonably request to ensure that the Beneficiary will receive (subject to no other interests) the insurance proceeds from the Improvements. The Trustor hereby assigns all insurance proceeds to and irrevocably directs, while any Obligations remain unpaid, any insurer to pay to the Beneficiary the proceeds of all such insurance and any premium refund; and authorizes the Beneficiary to endorse the Trustor's name to effect the same, to make, adjust or settle, in the Trustor's name, any claim on any insurance policy relating to the Premises. The proceeds and refunds will be applied in such manner as the Beneficiary, in its sole and absolute discretion, determines to rebuilding of the Premises or to payment of the Obligations, whether or not then due and payable.

2.7 Condemnation. Any compensation received for the taking of the Premises, or any part thereof, by a condemnation proceeding (including payments in compromise of condemnation proceedings), and all compensation received as damages for injury to the Premises, or any part thereof, shall be applied in such manner as the Beneficiary, in its sole and absolute discretion, determines to rebuilding of the Premises or to payment of the Obligations, whether or not then due and payable.

2.8 Environmental Matters. Except as specifically disclosed by Trustor to Beneficiary in writing prior to the execution of this Deed of Trust, Trustor represents and warrants as follows. There exists no uncorrected violation by the Trustor of any federal, state or local laws (including statutes, regulations, ordinances or other governmental restrictions and requirements) relating to the discharge of air pollutants, water pollutants or process waste water or otherwise relating to the environment or Hazardous Substances as hereinafter defined, whether such laws currently exist or are enacted in the future (collectively "Environmental Laws"). The term "Hazardous Substances" will mean any hazardous or toxic wastes, chemicals or other substances, the generation, possession or existence of which is prohibited or governed by any Environmental Laws. The Trustor is not subject to any judgment, decree, order or citation, or a party to (or threatened with) any litigation or administrative proceeding, which asserts that the Trustor (a) has violated any Environmental Laws; (b) is required to clean up, remove or take remedial or other action with respect to any Hazardous Substances (collectively "Remedial Action"); or (c) is required to pay all or a portion of the cost of any Remedial Action, as a potentially responsible party. Except as disclosed on the Borrower's environmental questionnaire provided to the Beneficiary,

there are not now, nor to the Trustor's knowledge after reasonable investigation have there ever been, any Hazardous Substances (or tanks or other facilities for the storage of Hazardous Substances) stored, deposited, recycled or disposed of on, under or at any real estate owned or occupied by the Trustor during the periods that the Trustor owned or occupied such real estate, which if present on the real estate or in soils or ground water, could require Remedial Action. To the Trustor's knowledge, there are no proposed or pending changes in Environmental Laws which would adversely affect the Trustor or its business, and there are no conditions existing currently or likely to exist while the Loan Documents are in effect which would subject the Trustor to Remedial Action or other liability. The Trustor currently complies with and will continue to timely comply with all applicable Environmental Laws; and will provide the Beneficiary, immediately upon receipt, copies of any correspondence, notice, complaint, order or other document from any source asserting or alleging any circumstance or condition which requires or may require a financial contribution by the Trustor or Remedial Action or other response by or on the part of the Trustor under Environmental Laws, or which seeks damages or civil, criminal or punitive penalties from the Trustor for an alleged violation of Environmental Laws. In the event of any such circumstance or condition, the Trustor agrees, at its expense and at the request of the Beneficiary, to permit an environmental audit solely for the benefit of the Beneficiary, to be conducted by the Beneficiary or an independent agent selected by the Beneficiary and which may not be relied on by the Trustor for any purpose. This provision shall not relieve the Trustor from conducting its own environmental audits or taking any other steps necessary to comply with Environmental Laws. Any provision of this Deed of Trust to the contrary notwithstanding, if Trustor fails to perform its obligations under this subsection 2.8, any funds advanced by Beneficiary to pay for any and all remedial and removal action to clean up the Mortgaged Property and mitigate exposure to liability from any Hazardous Substance shall not be secured by the lien of this Deed of Trust but rather shall be covered by the separate Indemnity Agreement regarding hazardous substances executed concurrently herewith.

2.9 Assignments. The Trustor will not assign, in whole or in part, without the Beneficiary's prior written consent, the rents, issues or profits arising from the Premises.

2.10 Right of Inspection. The Beneficiary may at all reasonable times enter and inspect the Premises.

2.11 Waivers by Trustor. To the greatest extent that such rights may then be lawfully waived, the Trustor hereby agrees for itself and any persons claiming under the Deed of Trust that it will waive and will not, at any time, insist upon or plead or in any manner whatsoever claim or take any benefit or advantage of (a) any exemption, stay, extension or moratorium law now or at any time hereafter in force; (b) any law now or hereafter in force providing for the valuation or appraisal of the Premises or any part thereof prior to any sale or sales thereof to be made pursuant to any provision herein contained or pursuant to the decree, judgment or order of any court of competent jurisdiction; (c) to the extent permitted by law, any law now or at any time hereafter made or enacted granting a right to redeem from foreclosure or any other rights of redemption in connection with foreclosure of, or exercise of any power of sale under, this Deed of Trust; (d) any statute of limitations now or at any time hereafter in force; or (e) any right to require marshalling of assets by the Beneficiary.

2.12 Assignment of Rents and Leases. Trustor hereby absolutely and unconditionally grants, transfers, conveys, sells, sets over and assigns to Beneficiary all of Trustor's right, title and interest now existing and hereafter arising in and to the leases, subleases, concessions, licenses, franchises or other agreements, either oral or written, now existing and hereafter arising which affect the Premises, Trustor's interest therein and any improvements located thereon, together with any and all security deposits, guarantees of the lessees' obligations (including any and all security thereunder) and other security under any such leases, subleases, concessions, licenses, franchises or other agreements (all of the foregoing, and any and all extensions, modifications and renewals thereof, shall be collectively referred to herein as the "Leases"), and hereby gives to and confers upon Beneficiary the right to collect all the income, rents, issues, profits, royalties and proceeds from the Leases and any business conducted on the Premises and any and all prepaid rent and security deposits thereunder (collectively, the "Rents"). This Deed of Trust is intended by Beneficiary and Trustor to create and shall be construed to create an absolute assignment to Beneficiary of all of Trustor's right, title and interest in and to the Leases and shall not be deemed to create a security interest therein for the payment of any indebtedness or the performance of any obligations under the Loan Documents. Trustor irrevocably appoints Beneficiary its true and lawful attorney at the option of Beneficiary at any time to demand, receive and enforce payment, to give receipts, releases and satisfactions and to sue, either in the name of Trustor or in the name of Beneficiary, for all such Rents and apply the same to the Obligations. Notwithstanding the foregoing assignment of Rents, so long as no default hereunder (as described in Article III) has occurred and remains uncured, Trustor shall have a revocable license, to collect all Rents, and to retain the same. Upon the occurrence and during the continuance of any such default, Trustor's license to collect and retain Rents shall terminate automatically. While any such default remains uncured, (a) Beneficiary may at any time, without notice, in person, by agent or by court-appointed receiver, and without regard to the adequacy of any security for the obligations secured by this Deed of Trust, enter upon any portion of the Premises and/or, with or without taking possession thereof, in its own name sue for or otherwise collect Rents (including past due amounts), and (b) without demand by Beneficiary therefor, Trustor shall promptly deliver to Beneficiary all prepaid rents, deposits relating to Rents, and all other Rents then held by or thereafter collected by Trustor, whether prior to or during the continuance of any default. Any Rents collected by or delivered to Beneficiary may be applied by Beneficiary against the obligations secured by this Deed of Trust, less all expenses, including attorneys' fees and disbursements, in such order as Beneficiary shall determine in its sole and absolute discretion. No application of Rents against any obligation secured by this Deed of Trust or other action taken by

Beneficiary under this Section 2.12 shall be deemed or construed to cure or waive any default, or to invalidate any other action taken in response to such default, or to make Beneficiary a mortgagee-in-possession of the Premises. Trustor hereby irrevocably authorizes and directs the tenants under all Leases to pay all amounts owing to Trustor thereunder to Beneficiary following receipt of any written notice from Beneficiary that states that a default remains uncured and that all such amounts are to be paid to Beneficiary. Trustor further authorizes and directs all such tenants to pay all such amounts to Beneficiary without any right or obligation to inquire as to the validity of Beneficiary's notice and regardless of the fact that Trustor has notified any such tenants that Beneficiary's notice is invalid or has directed any such tenants not to pay such amounts to Beneficiary.

2.13 Fixture Filing. From the date of its recording, this Deed of Trust shall be effective as a financing statement filed as a fixture filing under the Uniform Commercial Code, with respect to the Improvements and for this purpose the name and address of the debtor is the name and address of the Trustor as set forth in this Deed of Trust and the name and address of the secured party is the name and address of the Beneficiary as set forth in this Deed of Trust. The Mortgaged Property includes goods which are or may become so affixed to real property as to become fixtures. If any of the Mortgaged Property is of a nature such that a security interest therein can be perfected under the Uniform Commercial Code, this Deed of Trust shall also constitute the grant of a security interest to the Beneficiary and serve as a Security Agreement, and Trustor authorizes the filing of any financing statements and agrees to execute other instruments that may be required for the further specification, perfection or renewal of such security interest.

ARTICLE III. DEFAULTS AND REMEDIES

The Beneficiary may enforce its rights and remedies under this Deed of Trust upon default. A default will occur if the Trustor fails to comply with the terms of any Loan Documents (including this Deed of Trust or any guaranty by the Trustor) or a demand for payment is made under a demand loan, or the Trustor defaults on any other mortgage affecting the Land, or if any other obligor fails to comply with the terms of any Loan Documents for which the Trustor has given the Beneficiary a guaranty or pledge. Upon the occurrence of a default, the Beneficiary may declare the Obligations to be immediately due and payable.

3.1 Beneficiary's and Trustee's Right to Perform. Upon the occurrence of any default, Beneficiary or Trustee, but without the obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligations hereunder, may: (a) make any payments or do any acts required of Trustor hereunder 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 Premises for such purposes; (b) commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (c) pay, purchase, contest or compromise any encumbrance, charge or lien in accordance with the following paragraph; and (d) in exercising any such powers, pay necessary expenses, employ counsel and pay a reasonable fee therefor. All sums so expended shall be payable on demand by Trustor, be secured hereby (except as otherwise provided in Section 2.8) and bear interest at the highest default or post-maturity rate of interest specified in the Note from the date advanced or expended until repaid.

3.2 Remedies on Default. Upon the occurrence of any default, all sums secured hereby shall become immediately due and payable, without notice or demand, at the option of Beneficiary, and Beneficiary may:

(a) Have a receiver appointed as a matter of right on an ex parte basis without notice to Trustor and without regard to the sufficiency of the Mortgaged Property or any other security for the Obligations and, without the necessity of posting any bond or other security, such receiver shall take possession and control of the Mortgaged Property and shall collect and receive all of the rents, issues and profits thereof;

(b) Foreclose this Deed of Trust pursuant to a judicial foreclosure proceeding or otherwise realize upon the Mortgaged Property;

(c) Cause Trustee to exercise its power of sale; or

(d) Sue on the Note as permitted under applicable law.

3.3 No Waiver. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare a default for failure to do so.

3.4 Remedies Cumulative. The rights and remedies accorded by this Deed of Trust shall be in addition to, and not in substitution of, any rights or remedies available under now existing or hereafter arising applicable law. All rights and remedies provided for in this Deed of Trust or afforded by law or equity are distinct and cumulative and may be exercised concurrently, independently or successively. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right, and the waiver of any default shall not constitute a waiver of any subsequent or other default. Beneficiary shall be subrogated to the claims and liens of those whose claims or liens are discharged or paid with the loan proceeds hereof.

ARTICLE IV. TRUSTEE

4.1 General Powers and Duties of Trustee. At any time or from time to time, without liability therefor and without notice and without affecting the liability of any person for the payment of the Obligations, upon written request of Beneficiary, payment of its own fees and presentation of this Deed of Trust and the Note for endorsement (in case of full

reconveyance, for cancellation or retention), Trustee may: (a) consent to the making of any map or plat of the Premises; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; or (d) reconvey, without warranty, all or any part of the Mortgaged Property.

4.2 Reconveyance. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon payment of its fees, Trustee shall reconvey, without warranty, the Mortgaged Property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

4.3 Powers and Duties on Default. Upon written request therefor by Beneficiary specifying the nature of the default, or the nature of the several defaults, and the amount or amounts due and owing, Trustee shall execute a written notice of default and of its election to cause the Mortgaged Property to be sold to satisfy the Obligations, and shall cause such notice to be recorded and otherwise given according to law. Thereafter, Trustee shall execute a written notice of sale, and shall cause such notice to be recorded and otherwise given as required by law. Notice of sale having been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of breach, Trustee, without demand on Trustor, shall sell the Mortgaged Property at the time and place of sale specified in the notice, as provided by statute, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest and best bidder for cash in lawful money of the United States, payable at time of sale. Trustor agrees that such a sale (or a sheriff's sale pursuant to judicial foreclosure) of all the Mortgaged Property as real estate constitutes a commercially reasonable disposition thereof, but that with respect to all or any part of the Mortgaged Property which may be personal property Trustee shall have and exercise, at Beneficiary's sole election, all the rights and remedies of a secured party under the UCC. Whenever notice is permitted or required hereunder or under the UCC, ten (10) days shall be deemed reasonable. Trustee may postpone sale of all or any portion of the Mortgaged Property, and from time to time thereafter may postpone such sale, as provided by statute. Trustee shall deliver to the purchaser its deed and bill of sale conveying the Mortgaged Property so sold, but without any covenant or warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including Trustor or Beneficiary, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this trust, including the cost of evidence of title search and title insurance and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums secured hereby in such order as Beneficiary may determine; and the remainder, if any, may be deposited by Trustee with the clerk of the superior court or municipal court, as applicable, of the county in which the sale took place, as provided in California Civil Code § 2924j.

4.4 Reassignment of Security Interest. At the request of Beneficiary, Trustee shall reassign to Beneficiary the security interest created hereby and after such reassignment Beneficiary shall have the right, upon the occurrence or continuance of any default, to realize upon the personal property subject to this Deed of Trust, independent of any action of Trustee, pursuant to the UCC.

4.5 Acceptance of Trust. 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 except Beneficiary 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.

4.6 Reliance. Trustee, upon presentation to it of an affidavit signed by Beneficiary setting forth facts showing a default by Trustor under this Deed of Trust, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

4.7 Replacement of Trustee. Beneficiary may, from time to time, as provided by statute, appoint another trustee in place and stead of Trustee herein named, and thereupon Trustee herein named shall be discharged and the trustee so appointed shall be substituted as Trustee hereunder, with the same effect as if originally named Trustee herein.

ARTICLE V. MISCELLANEOUS

In addition to all other miscellaneous provisions under the Loan Documents which are expressly incorporated as a part of this Deed of Trust, the following provisions will also apply:

5.1 Trustor's Right to Possession. Trustor may be and remain in possession of the Mortgaged Property for so long as it is not in default hereunder or under the terms of the Note and Trustor may, while it is entitled to possession of the Mortgaged Property, use the same.

5.2 Maximum Interest. No provision of this Deed of Trust or of the Note shall require the payment or permit the collection of interest in excess of the maximum permitted by law. If any excess of interest in such respect is herein or in the Note provided for, neither Trustor nor its successors or assigns shall be obligated to pay that portion of such interest which is in excess of the maximum permitted by law, and the right to demand the payment of any such excess shall be and is hereby waived and this Section 5.2 shall control any provision of this Deed of Trust or the Note which is inconsistent herewith.

5.3 Attorneys' Fees and Legal Expenses. In the event of any default under this Deed of Trust, or in the event that any dispute arises relating to the interpretation, enforcement or performance of any obligation secured by this Deed of Trust, Beneficiary shall be entitled to collect from Trustor on demand all fees and expenses incurred in connection therewith, including but not limited to fees of attorneys, accountants, appraisers, environmental inspectors, consultants, expert witnesses, arbitrators, mediators and court reporters. Without limiting the generality of the foregoing, Trustor shall pay all such costs and expenses incurred in connection with: (a) arbitration or other alternative dispute resolution proceedings, trial court actions and appeals; (b) bankruptcy or other insolvency proceedings of Trustor, any guarantor or other party liable for any of the obligations secured by this Deed of Trust or any party having any interest in any security for any of those obligations; (c) judicial or nonjudicial foreclosure on, or appointment of a receiver for, any of the Mortgaged Property; (d) post-judgment collection proceedings; (e) all claims, counterclaims, cross-claims and defenses asserted in any of the foregoing whether or not they arise out of or are related to this Deed of Trust; (f) all preparation for any of the foregoing; and (g) all settlement negotiations with respect to any of the foregoing.

5.4 Prepayment Provisions. If at any time after default and acceleration of the Obligation there shall be a tender of payment of the amount necessary to satisfy such indebtedness by or on behalf of the Trustor, its successors or assigns, the same shall be deemed to be a voluntary prepayment such that the sum required to satisfy such indebtedness in full shall include, to the extent permitted by law, the additional payment required under the prepayment privilege as stated in the Note.

5.5 Time of the Essence. Time is of the essence with respect to payment of the Obligations, the performance of all covenants of the Trustor and the payment of taxes, assessments, and similar charges and insurance premiums.

5.6 Subrogation. The Beneficiary will be subrogated to the lien of any deed of trust, mortgage or other lien discharged, in whole or in part, by the proceeds of the Note or other advances by the Beneficiary, in which event any sums otherwise advanced by the Beneficiary shall be immediately due and payable, with interest at the default rate set forth in the Loan Documents from the date of advance by the Beneficiary to the date of payment by the Trustor, and will be one of the Obligations secured by this Deed of Trust.

5.7 Choice of Law. This Deed of Trust will be governed by the laws of the state in which the Mortgaged Property is located. For all other purposes, the choice of law specified in the Loan Documents will govern.

5.8 Severability. Invalidity or unenforceability of any provision of this Deed of Trust shall not affect the validity or enforceability of any other provision.

5.9 Entire Agreement/Demand Obligations. This Deed of Trust is intended by the Trustor and the Beneficiary as a final expression of this Deed of Trust and as a complete and exclusive statement of its terms, there being no conditions to the full effectiveness of this Deed of Trust. No parol evidence of any nature shall be used to supplement or modify any terms. IN THE EVENT ANY OF THE OBLIGATIONS SECURED HEREBY IS PAYABLE UPON DEMAND, NEITHER THIS DEED OF TRUST NOR ANYTHING CONTAINED HEREIN SHALL BE DEEMED TO ALTER, LIMIT, OR OTHERWISE IMPINGE UPON THE DEMAND CHARACTER OF SUCH OBLIGATIONS.

5.10 Joint Liability; Successors and Assigns. If there is more than one Trustor, the liability of the Trustors will be joint and several, and the reference to "Trustor" shall be deemed to refer to each Trustor and to all Trustors. The rights, options, powers and remedies granted in this Deed of Trust and the other Loan Documents shall extend to the Beneficiary and to its successors and assigns, shall be binding upon the Trustor and its successors and assigns, and shall be applicable hereto and to all renewals, amendments and/or extensions hereof.

5.11 Indemnification. Except for harm arising from the Beneficiary's or the Trustee's willful misconduct, the Trustor hereby indemnifies and agrees to defend and hold the Beneficiary and the Trustee harmless from any and all losses, costs, damages, claims and expenses (including, without limitation, attorneys' fees and expenses) of any kind suffered by or asserted against the Beneficiary or the Trustee relating to claims by third parties arising out of the financing provided under the Loan Documents or related to the Mortgaged Property (excluding, however, the Beneficiary's failure to perform its obligations relating to Environmental Matters described in Section 2.8 above) or the exercise by the Beneficiary or the Trustee of any of their respective powers, rights and remedies under this Deed of Trust. This indemnification and hold harmless provision will survive the termination of the Loan Documents and the satisfaction of this Deed of Trust and Obligations due the Beneficiary.

5.12 Notices. Notice of any record shall be deemed delivered when the record has been (a) deposited in the United States Mail, postage pre-paid, (b) received by overnight delivery service, (c) received by telex, (d) received by telecopy, (e) received through the internet, or (f) when personally delivered.

5.13 Release of Rights of Dower, Homestead and Distributive Share. To the fullest extent permitted by applicable law, each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the Mortgaged Property, will not avail itself of any appraisal, valuation, redemption, stay, extension or exemption laws, or any so-called "moratorium laws", existing or hereafter enacted, to hinder the enforcement or foreclosure of this Deed of Trust, and hereby waives the benefit of such laws.

5.14 Copy. The Trustor hereby acknowledges the receipt of a copy of this Deed of Trust, together with a copy of each promissory note secured hereby, and all other documents executed by the Trustor in connection herewith.

5.15 Riders. The rider(s) attached hereto and recorded together with this Deed of Trust are hereby fully incorporated into this Deed of Trust. [Check applicable box(es)] Condominium Rider Second Deed of Trust Rider
 Construction Loan Rider Other(s) (Specify) Borrower's Certificate and Indemnity Regarding Hazardous Substances; Small Business Administration Program Rider

IN WITNESS WHEREOF, the undersigned has/have executed this Deed of Trust as AUGUST 19, 2004

(Individual Trustor)

Printed Name Walter A. Pinto

Trustor Name (Organization) N/A
a _____
By _____

(Individual Trustor)

Printed Name Emperatriz R. Pinto

Name and Title N/A
By _____
Name and Title N/A

(Beneficiary Address)
9918 HIBERT ST.
SAN DIEGO, CA 92131

(Trustor Address)
APN 391-160-003-5 and 391-170-011-3
County of Riverside, CA 92530

STATE OF California
COUNTY OF Orange } ss.

On August 24, 2004, before me, CATHY C. KIEFT,
personally appeared Walter A. Pinto and Emperatriz R. Pinto

_____, personally known to me (or 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.

Witness my hand and official seal.
Signature Cathy C. Kieft
Notary Public



TO BE ATTACHED TO THE DEED OF TRUST OR MORTGAGE:

**BORROWER'S CERTIFICATE AND INDEMNITY
REGARDING HAZARDOUS SUBSTANCES**

In connection with and as partial consideration for the making of a conditional commitment to lend (the "Commitment") of \$458,500.00 by, U.S. Bank National Association ("Lender"), to **Walter A. Pinto and Emperatriz R. Pinto** ("Borrower"), Borrower hereby certifies to Lender and agrees as follows:

- 1A. Except as disclosed in Section 1B below, Borrower has no knowledge after due investigation of (a) the presence of any "Hazardous Substances" (as defined below) on that certain real property situated in **Riverside County, State of California**, located at **APN 391-160-003-5 and 391-170-011-3, County of Riverside, CA 92530**, legally described in Exhibit A attached hereto (the "Property"), or (b) any spills, releases, discharges, disposal, storage or manufacture of Hazardous Substances that have occurred or are presently occurring on or onto the Property or any adjacent properties, or (c) any spills or disposal of Hazardous Substances that have occurred or are presently occurring off the Property as a result of any construction on or operation and use of the Property.
- 1B. Information pertaining to Hazardous Substances: _____

2. In connection with the construction on or operation and use of the Property, Borrower represents for itself, its contractors, subcontractors and any other of its agents, that, as of the date of this Certificate, it has no knowledge after due investigation of any failure to comply with all applicable local, state and federal environmental laws, regulations, ordinances and administrative and judicial orders relating to the generation, recycling, reuse, sale, storage, handling, transport and disposal of any Hazardous Substances.
3. Borrower represents and warrants to Lender that it has duly investigated the present and past uses of the Property and has made due inquiry of the appropriate governmental agencies and offices having jurisdiction over the Property and the laws regulating the environment, as to whether the Property or any property in the immediate vicinity of the Property is or has been the site of storage of or contamination by any Hazardous Substances. Borrower will provide Lender with a written summary of its investigations and copies of all inquiries and responses.
4. Borrower agrees to immediately notify Lender if Borrower becomes aware of (a) any Hazardous Substances or other environmental problem or liability with respect to the Property, or any adjacent property, or (b) any lien, action or notice of the nature described in paragraph 2 above. At its own cost, Borrower will take all actions which are necessary or desirable to clean up any Hazardous Substances affecting the Property, including removal, containment or any other remedial action required by applicable governmental authorities.
5. Borrower agrees to indemnify and hold Lender harmless from and against any and all claims, demands, damages, losses, liens, liabilities, penalties, fines lawsuits and other proceedings and costs and expenses (including attorneys' fees), arising directly or indirectly from or out of, or in any way connected with (a) the inaccuracy of the certifications contained herein, (b) any activities on the Property during Borrower's ownership, possession or control of the Property which directly or indirectly result in the Property or any other property becoming contaminated with Hazardous Substances (c) the discovery of Hazardous Substances on the Property or any other property, and (d) the cleanup of Hazardous Substances from the Property or any other properties. Borrower acknowledges that it will be solely responsible for all costs and expenses relating to the cleanup of Hazardous Substances from the Property or from any other properties which become contaminated with Hazardous Substances as a result of activities on or the contamination of the Property.

6. Borrower's obligations under this Certificate are unconditional and shall not be limited by any nonrecourse or other limitations of liability provided for in any document relating to the Loan ("Loan Documents"). The representations, warranties and covenants of Borrower set forth in this Certificate (including without limitation the indemnity provided for in paragraph 5 above) shall continue in effect and, to the extent permitted by law, shall survive the transfer of the Property pursuant to foreclosure proceedings (whether judicial or nonjudicial), by deed in lieu of foreclosure or otherwise. Borrower acknowledges and agrees that its covenants and obligations hereunder are separate and distinct from its obligations under the Loan and the Loan Documents.
7. Borrower also agrees to pay all costs and expenses incurred in any examination of the property that is required by Lender to determine the presence, nature and extent of any Hazardous Substances. Any such required examination shall be made by a qualified environmental auditor acceptable to Lender.
8. As used in this Certificate, "Hazardous Substances" shall mean: any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, or hazardous, toxic or radioactive substance, (or designated by any other similar term), by any applicable federal, state or local statute, regulation or ordinance now in effect or in effect at any time during either the term of the Loan Documents or the period of time Borrower remains in possession, custody or control of the Property following foreclosure of the Loan Documents or acceptance by Lender of a deed in lieu of foreclosure.
9. This certificate shall be binding upon and inure to the benefit of Lender and Borrower and their respective heirs, representatives, successors and assigns.

IN WITNESS WHEREOF, Borrower has executed this Certificate and Indemnity as of **August 19, 2004**.

BORROWER: Walter A. Pinto and Emperatriz R. Pinto

By: 

Walter A. Pinto

By: 

Emperatriz R. Pinto

SMALL BUSINESS ADMINISTRATION PROGRAM RIDER

THE LOAN SECURED BY THIS LIEN WAS MADE UNDER A SMALL BUSINESS ADMINISTRATION PROGRAM. The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

- a) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.
- b) Lender or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument.

EXHIBIT "A"

Real Property in the unincorporated area of the County of Riverside, State of California, described as follows:

PARCEL 1:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684, PAGE 578 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION;
THENCE SOUTH ALONG THE EAST LINE THEREOF, 175 FEET;
THENCE WEST, 660 FEET;
THENCE NORTH 175 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER;
THENCE EAST ALONG SAID NORTH LINE, 660 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684 PAGE 578 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 4:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER
OF THE SOUTHEAST QUARTER OF SAID SECTION:
THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER OF
THE SOUTHEAST QUARTER 175 FEET;
THENCE EAST, 660 FEET;
THENCE NORTH, 175 FEET TO THE NORTH LINE OF THE SOUTHWEST
QUARTER OF SOUTHEAST QUARTER;
THENCE WEST, ALONG SAID NORTH LINE, 660 FEET TO THE POINT OF
BEGINNING.

RECORDING REQUESTED BY:

First American Title

WHEN RECORDED MAIL TO:

U.S. BANK NATIONAL ASSOCIATION

Attn: Closing Audit Dept.

9918 Hibert Street, 2nd Floor

San Diego, CA 92131

DOC # 2004-0685613

08/30/2004 08:00A Fee:22.00

Page 1 of 6

Recorded in Official Records

County of Riverside

Gary L. Orso

Assessor, County Clerk & Recorder



M	S	U	PAGE	SIZE	DA	PCOR	NOCOR	SMP	MSC
	1		6						
									NG
A	R	L			COPY	LONG	REFUND	NOCHG	EXAM

NCS 95159

MEMORANDUM OF LEASE

22

T
TC

THIS AREA
FOR
RECORDER'S
USE ONLY

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(\$3.00 Additional Recording Fee Applies)

STC-SCSD 596a (Rev 3/97)

Public Record

**THIS DOCUMENT PREPARED BY
AND UPON RECORDING RETURN
TO:**

U.S. Bank National Association
Attn: Closing Audit Department
9918 Hibert Street, 2nd Floor
San Diego, CA 92131
Loan No. 6517381233

MEMORANDUM OF LEASE

This Memorandum of Lease dated as of **August 19, 2004** is entered into between **Walter A. Pinto and Emperatriz R. Pinto** ("Landlord") and **W.P. CONSTRUCTION & DEMOLITION INC.** ("Tenant").

Recitals

A. On or about **August 3, 2004**, Landlord and Tenant entered into a lease agreement *(unrecorded)* ("Lease"), pursuant to which Landlord leased to Tenant and Tenant leased from Landlord property located at **APN 391-160-003-5 and 391-170-011-3, County of Riverside, CA 92530, APN No. 391-160-003-5, 391-170-011-3**, and more particularly described in attached **Exhibit "A"** and incorporated by reference ("Premises").

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

Section 1

Term.

Landlord leases to Tenant the Premises for a term of **25 years** commencing on **August 24, 2004** and ending on **August 24, 2029**.

Section 2

Lease Terms.

This lease of the Premises to Tenant is on all of the terms and conditions of the Lease, which is incorporated in this Memorandum by reference.

Section 3

Assignment.

Tenant's rights and obligations under the Lease shall not be assigned without Landlord's prior written consent, and any assignment without this consent shall be void.

Section 4

Successors and Assigns.

This Memorandum and the Lease shall bind and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject, however, to the provisions of the Lease on assignment.


Section 5

Governing Law.


This Memorandum and the Lease are governed by **California State Law.**

Executed as of the date first written above.

Landlord: Walter A. Pinto and Emperatriz R. Pinto

By: 

Walter A. Pinto

By: 

Emperatriz R. Pinto

Tenant: W.P. CONSTRUCTION & DEMOLITION INC.

By: 

Walter A. Pinto, President

By: 

Emperatriz R. Pinto, Secretary

STATE OF California }
COUNTY OF Orange } ss.

on August 24, 2004, before me,
CATHY C. KIEFT, personally appeared
WALTER A. PINTO, personally known to me (or proved to me on the
basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument
and acknowledged to me that s/he executed the same in his/her authorized capacity, and that by
his/her signature on the instrument the person, or the entity upon behalf of which the person acted,
executed the instrument.

Witness my hand and official seal.

Signature Cathy C. Kieft



STATE OF California }
COUNTY OF Orange } ss.

on August 24, 2004, before me,
CATHY C. KIEFT, personally appeared
EMPERATRIZ R. PINTO, personally known to me (or proved to me on the
basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument
and acknowledged to me that s/he executed the same in his/her authorized capacity, and that by
his/her signature on the instrument the person, or the entity upon behalf of which the person acted,
executed the instrument.

Witness my hand and official seal.

Signature Cathy C. Kieft



EXHIBIT "A"

PARCEL 1:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684, PAGE 578 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION;
THENCE SOUTH ALONG THE EAST LINE THEREOF, 175 FEET;
THENCE WEST, 660 FEET;
THENCE NORTH 175 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER;
THENCE EAST ALONG SAID NORTH LINE, 660 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, LYING SOUTHERLY OF LANDS CONVEYED TO CORONA SANTA FE RAILWAY COMPANY BY DEED RECORDED AUGUST 13, 1926 IN BOOK 684 PAGE 578 OF DEEDS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 4:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 16, TOWNSHIP 5 SOUTH, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION;
THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER 175 FEET;

THENCE EAST, 660 FEET;
THENCE NORTH, 175 FEET TO THE NORTH LINE OF THE SOUTHWEST
QUARTER OF SOUTHEAST QUARTER;
THENCE WEST, ALONG SAID NORTH LINE, 660 FEET TO THE POINT OF
BEGINNING.

RECORDING REQUESTED BY:

First American Title

WHEN RECORDED MAIL TO:

U.S. BANK NATIONAL ASSOCIATION

a national banking association

9918 Hibert Street, suite 301

San Diego, CA 92131

DOC # 2004-0685614

08/30/2004 08:00A Fee:55.00

Page 1 of 17

Recorded in Official Records

County of Riverside

Gary L. Orso

Assessor, County Clerk & Recorder



M	S	U	PAGE	SIZE	DA	PCOR	NOCOR	SMF	MISC	
	1		17							
									VG	
A	R	L				COPY	LONG	REPLND	NCHG	EXAM

NCS 95159

SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

55

T
TC

THIS AREA
FOR
RECORDER'S
USE ONLY

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(\$3.00 Additional Recording Fee Applies)

STC-SCSD 996a (Rev 8/97)

Public Record

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

U.S. Bank National Association,
a national banking association
9918 Hibert Street, Suite 301
San Diego, CA 92131
Loan No. 6517381233

Space Above This Line For Recorder's Use

**SUBORDINATION, ATTORNMENT AND
NON-DISTURBANCE AGREEMENT
(NO SUBTENANT)**

NOTICE: THIS SUBORDINATION OF LEASE RESULTS IN THE LEASEHOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this 19th day of August, 2004 by and between the following parties is based upon the recitals set forth.

PARTIES:

A. "Owner" **Walter A. Pinto and Emperatriz R. Pinto** is the owner of that real property located at **APN 391-160-003-5 and 391-170-011-3, County of Riverside, CA 92530**, APN No. **391-160-003-5; 391-170-011-3**, and more particularly described in attached **Exhibit "A"** (hereinafter the "Real Property") which is improved as a **vacant land for equipment storage**.

B. "Lender" **U.S. Bank National Association**, which made a loan to Owner which is secured by a deed of trust/mortgage (the "Deed of Trust/Mortgage") encumbering the Real Property.

C. "Tenant" **W.P. CONSTRUCTION & DEMOLITION INC.** is a tenant of Owner pursuant to a written lease dated **August 3, 2004** (the "Lease"). Tenant occupies that portion of the Property described as **APN 391-160-003-5 and 391-170-011-3, County of Riverside, CA 92530** (the "Leased Premises").

RECITALS

1. Lender has made a loan to Owner for, among other things, the purchase of the Real Property, which loan is secured by a Deed of Trust/Mortgage encumbering the Real Property. As a condition of the loan, Lender required that the Deed of Trust/Mortgage be, and remain, superior to any other interest in or encumbrance upon the Real Property.

2. Owner, as landlord, has executed the Lease in favor of Tenant. The interest of Tenant under the Lease is reflected in that Memorandum of Lease recorded *concurrently hereto* as Document No. _____ in the Official Records of the County of **Riverside**, State of **California**. Owner and Tenant agree that the Lease, and the interests of Owner and Tenant under the Lease, shall be and shall remain subordinate to the interests of Lender under the Deed of Trust/Mortgage on the terms and conditions set forth in this Agreement.

3. The parties agree that Lender would not have made the loan to Owner which is secured by, among other things, the Deed of Trust/Mortgage without the subordination of the interests of Tenant in the Real Property so that such interests are junior and inferior to the interests of Lender under the Deed of Trust/Mortgage.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

1. The Deed of Trust/Mortgage securing a note in favor of Lender, and any renewals, modifications, amendments or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Real Property prior and superior to the Lease, to the leasehold estate created thereby and to all rights and privileges of Tenant or its successors thereunder, and said Lease, the leasehold estate created thereby together with all rights and privileges of Tenant thereunder are hereby subjected, and made subordinate, to the lien or charge of the Deed of Trust/Mortgage in favor of Lender.

2. This agreement shall be the whole and only agreement with regard to the subjection and subordination of the Lease and the leasehold estate created thereby together with all rights and privileges of Tenant thereunder to the lien or charge of the Deed of Trust/Mortgage in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Lease and the Deed of Trust/Mortgage hereinbefore specifically described, any prior agreements as to such subjection or subordination, including, but not limited to, those provisions, if any, contained in the Lease above described, which provide for the subjection or subordination of said Lease and the leasehold estate created thereby to a deed or deeds of trust or to a mortgage or mortgages. Tenant declares, agrees and acknowledges that:

(a) Lender in making disbursements pursuant to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's Loan is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part; and

(b) Tenant intentionally and unconditionally subjects and subordinates the Lease above described, the leasehold estate created thereby together with all rights and privileges of Tenant thereunder in favor of the lien or charge upon said land of the Deed of Trust/Mortgage in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this subjection and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this subjection and subordination.

3. Non-Disturbance Agreement: Despite the subordination under the above, Tenant's peaceful and quiet possession of the Leased Premises shall not be disturbed and Tenant's rights and privileges under the Lease shall not be diminished by Lender's exercise of its rights or remedies under the Deed of Trust and any related loan documents, provided that Tenant:

(a) is not in default in the payment of the rent or additional rent or in the performance of any of the other material terms, covenants, or conditions of the Lease that Tenant is required to perform (beyond any period given Tenant under the Lease to cure such default);

(b) has not canceled or terminated the Lease (without regard to whether landlord or Tenant is then in default under the Lease), nor surrendered, or abandoned the Leased Premises;

(c) has not made any advance payment of rent or additional rent (except as specifically required by the terms of the Lease); and

(d) has complied with any direction of Lender to make payments of rent directly to Lender pursuant to rights of Lender to such rents under the Deed of Trust/Mortgage.

4. Tenant shall not be named or joined in any foreclosure, trustee's sale, or other proceeding to enforce the Deed of Trust/Mortgage and/or the Loan Documents unless such joinder shall be legally required to perfect the foreclosure, trustee's sale, or other proceeding. In the latter case, Lender may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action.

5. Attornment

(a) If Lender shall succeed to Owner's interest in the Real Property or the Leased Premises by foreclosure of the Deed of Trust/Mortgage, by deed in lieu of foreclosure, or in any other manner, Tenant shall be bound to Lender under all the terms, covenants and conditions of the Lease for the balance of its term with the same force and effect as if Lender were the landlord under the Lease. Tenant shall be deemed to have full and complete attornment to, and to have established direct privity between Tenant and:

(i) Lender when in possession of the Real Property or the Leased Premises;

(ii) a receiver appointed in any action or proceeding to foreclose the Deed of Trust;

(iii) any party acquiring title to the Real Property or the Leased Premises; or

(iv) any successor to landlord.

(b) Tenant's attornment is self-operating, and it shall continue to be effective without execution of any further instrument by any of the parties to this Agreement or the Lease. Lender agrees to give Tenant written notice if Lender has succeeded to the interest of the landlord under the Lease. Subject to section 6, the terms of the Lease are incorporated into this Agreement by reference.

(c) If the interests of landlord under the Lease are transferred by foreclosure of the Deed of Trust, deed in lieu of foreclosure, or otherwise, to a party other than Lender ("Transferee"), in consideration of, and as condition precedent to, Tenant's agreement to attorn to any such Transferee, Transferee shall be deemed to have assumed all terms, covenants, and conditions of the Lease to be observed or performed by landlord from the date on which the Transferee succeeds to landlord's interests under the Lease; provided that the liability of any Transferee to Tenant under the terms of the Lease shall be limited in the same manner as Lender's liability is limited under section 6.

(d) If the interests of landlord under the Lease are transferred by foreclosure of the Deed of Trust, deed in lieu of foreclosure, or otherwise, the Transferee shall have the right to collect any due, but unpaid, obligations owing under the Lease, including any accrued, but unpaid rent

6. Lender as landlord. If Lender shall succeed to the interest of landlord under the Lease, Lender shall be bound to Tenant under all the terms, covenants and conditions of the Lease, and Tenant shall, from the date of Lender's succession to the landlord's interest under the Lease, have the same remedies against Lender for breach of the Lease that Tenant would have had under the Lease against landlord; provided, however, that despite anything to the contrary in this Agreement or the Lease, Lender or any Transferee, as successor to the landlord's interest, shall not be:

(a) liable for any act or omission of any previous landlord (including Owner), provided that the foregoing shall not be construed to limit Tenant's right to possession of the Leased Premises for the entire term of the Lease, as extended, on the terms and conditions of the Lease;

(b) subject to any offsets or defenses that Tenant might have had against any previous landlord (including Owner);

(c) liable for any security deposit not received by Lender, or bound by any rent or additional rent that Tenant may have paid for more than one month in advance to any previous landlord (including Owner);

(d) bound by an amendment or modification of the Lease made without Lender's written consent, which consent shall not be unreasonably withheld or delayed, so long as Tenant pays to Lender a reasonable amount to defer the costs, including attorney's fees, incurred in response to a request for such consent;

(e) bound by any covenant to undertake or complete any construction of the Real Property or the Leased Premises, or any portion of them.

Lender shall be liable under the Lease only during such time as it is the owner of the Real Property and the landlord under the Lease. Upon Lender's transfer of the Real Property, or such portion of the Real Property as encompasses the Leased Premises, Lender shall be released and exonerated from any liability under the Lease for any acts or omissions occurring after such transfer and Tenant agrees to look solely to the transferee of Lender for performance of the obligations of the landlord under the Lease. Tenant further agrees that it will, within 60 days of notice of the transfer of Lender's interest in the Real Property, provide Lender with a list of all claims that exist against Lender as a result of its status as landlord. Failure to specify a claim in a timely manner shall forever bar tenant from bringing such claim against Lender.

7. Notice of Default, Right To Cure. Tenant agrees concurrently to give Lender a copy of any written notice of any default given by Tenant to landlord under the Lease. Tenant agrees that, before it exercises any of its rights or remedies under the Lease, Lender shall have the right, but not the obligation, to cure the default within the same time given landlord in the lease to cure the default, plus an additional thirty (30) days, or if no time period is given to landlord in the Lease to cure, then within a reasonable time. If any such asserted default constitutes a legal basis for Tenant to cancel its obligations under the Lease, Tenant agrees that the Lease shall not be canceled or terminated until Lender shall have had a reasonable period of time within which to (a) obtain possession of the Real Property or the Leased Premises, and (b) cure such default. Tenant also agrees to use its best efforts to give Lender notice of any material casualty damage to the Leased Premises.

8. Assignment of Rents. If Owner defaults in its performance of the terms of the Deed of Trust/Mortgage, Tenant agrees to recognize the Assignment of Rents made by Owner to Lender and shall pay to Lender, as assignee, from the time Lender gives Tenant written notice that Owner is in default under the terms of the Deed of Trust/Mortgage Deed of Trust/Mortgage, the rents under the Lease, but only those rents that are due or that become due under the terms of the Lease after written notice by Lender. Payments of rents to Lender by Tenant under the assignment of rents upon landlord's default shall continue until the first of the following occurs:

(a) No further rent is due or payable under the Lease;

(b) Lender gives Tenant notice that Owner's default under the Deed of Trust/Mortgage has been cured and instructs Tenant that the rents shall thereafter be payable to landlord; or

(c) The lien of the Deed of Trust/Mortgage has been foreclosed and the purchaser at the foreclosure sale (whether Lender or a Transferee) gives Tenant written notice of the foreclosure sale. On giving written notice, the purchaser shall succeed to landlord's interests under the Lease, after which time the rents and other benefits due landlord under the Lease shall be payable to the purchaser as the owner of the Mortgage Premises

9. **Tenant's Reliance.** Tenant shall be entitled to full credit under the Lease for any rents paid to Lender in accordance with section 9 to the same extent as if such rents were paid directly to landlord. Any dispute between Lender (or Lender's Transferee) and landlord as to the existence of a default by landlord under the terms of the Deed of Trust, the extent or nature of such default, or Lender's right to foreclosure of the Deed of Trust, shall be dealt with and adjusted solely between Lender (or Transferee) and landlord, and Tenant shall not be made a party to any such dispute (unless required by law).

10. **Lender's Status.** Nothing in this Agreement shall be construed to be an agreement by Lender to perform any covenant of the landlord under the Lease unless and until it obtains title to the Real Property or the Leased Premises by power of sale, judicial foreclosure, or deed in lieu of foreclosure, or obtains possession of the Real Property or the Leased Premises under the terms of the Loan Documents. Lender shall not be deemed a "mortgagor in possession" by virtue of its exercise of its rights to the rents or any other right under this Agreement.

11. **Cancellation of Lease.** Tenant agrees that it will not cancel, terminate, or surrender the Lease, except at the normal expiration of the Lease term or as provided in the Lease, or enter into any agreement, amendment, or modification of the Lease except any agreement, amendment, or modification contemplated by or provided by the terms of the Lease unless Lender gives its prior written consent.

12. **Limited Waiver of Due on Sale:** To the extent the Deed of Trust/Mortgage contains a "due on sale" clause which would give Lender the right to declare Tenant's obligation to Lender due and payable, Lender waives such "due on sale" clause for purposes of the Lease. This waiver is a one time waiver and does not obligate Lender to any other waiver of the "due on sale" clause.

13. General Terms:

- a. This Agreement shall become effective only upon the execution by all of the parties hereto.
- b. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. The provisions of this Agreement shall be binding upon any guarantor of landlord's obligations under the lease.

- c. Tenant acknowledges that it is relying solely on its decision and the advice of its own legal counsel and other consultants in entering into this Agreement, and that neither the Bank/Lender nor any of its respective employees, agents, contractors, attorneys, accountants or other representatives have provided any advice to Tenant in connection with this Agreement, any of its provisions or any of the transactions contemplated herein, or regarding any legal, financial, tax or other impact this Agreement may have to Tenant.
- d. Each Signatory shall execute any and all documents and perform any and all acts reasonably necessary or appropriate to consummate the terms and conditions set forth in this Agreement, provided, however, that this provision does not require any party to agree to provisions which are not part of the agreement.
- e. All representatives, warranties, covenants, agreements, terms and conditions made herein will survive the execution of this Agreement and all transactions contemplated hereunder.
- f. The descriptive headings of the several sections of this Agreement are inserted for convenience and will not be deemed to affect the meaning or construction of any of the provisions hereof.
- g. The parties agree that the rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement. The terms of this Agreement shall be interpreted consistent with the Loan Documents and the Lease, except as specifically modified by the terms set forth herein.
- h. The defined terms in this Agreement will apply equally to both the singular and the plural forms of the terms defined. Whenever the context may require, any pronoun will include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" when used in this Agreement will be deemed to be followed by the phrase "without limitation" The words "approval" and "notice" when used in this Agreement will be deemed to be preceded by the word "written." All references to "Exhibit" or "Exhibits" in this Agreement mean the exhibits attached hereto, the terms and conditions of which are made a part hereof. All references to "Section" or "Sections" in this Agreement mean the applicable section of this Agreement unless otherwise specified. To the extent applicable, the term "landlord" shall refer to a "lessor" or similarly situated person and the term "tenant" shall refer to a lessee or similarly situated person.
- i. This Agreement constitutes the entire agreement between the parties hereto with respect to the priority of the Lease and the obligations of Lender as landlord under the Lease , and supersedes any other agreements, negotiations, communications, understandings and

commitments whether written or oral, relating thereto. This Agreement may be modified only by a writing signed by all parties to this Agreement.

- j. If any one or more of the provisions contained in this Agreement for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.
- k. Time is of the essence in the execution and performance of this Agreement and each of its provisions.
- l. This Agreement shall be interpreted, construed and governed by the laws of the state set forth in the Promissory Note, if any, and if not so set forth, of the state set forth in the Deed of Trust/Mortgage. Any litigation arising from or relating to this Agreement shall be filed and prosecuted in a state or federal court located in the City of San Diego, County of San Diego, State of California.
- m. In the event of any litigation or other action to construe, interpret or enforce this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' and expert witness fees and costs.
- n. All notices to be given under this Agreement shall be in writing and either:
 - (a) Sent by priority overnight delivery by means of a nationally recognized overnight courier which provides for online (Internet) tracking of packages, in which case notice shall be deemed delivered one (1) business day after deposit with such courier, or
 - (b) By telecopy or similar means, if a copy of the notice is also sent by priority overnight delivery by means of a nationally recognized overnight courier which provides for online (Internet) tracking of packages, in which case notice shall be deemed delivered on transmittal by telecopier or other similar means, provided that a transmission report is generated reflecting the accurate transmission of the notice and the copy is also delivered.

Notice shall be given to the following persons on behalf of the parties and shall be deemed complete only if given to all the designated individuals:

Bank: Nancy Arden
VP – Portfolio
SBA Division
U. S. Bank National Association
9918 Hibert Street, 2nd Fl.
San Diego, CA 92131
Tel: 858-536-4545, ext. 348
Fax: 858-877-4568

Owner: 17200 Newhope Street, #38
Fountain Valley, CA 92708


Tenant: 391-160-003-5; 391-170-011-3
County of Riverside, CA 92530

NOTICE: THIS SUBORDINATION OF LEASE CONTAINS A PROVISION WHICH
ALLOWS THE PERSON OBLIGATED ON YOUR LEASE TO OBTAIN A LOAN A
PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN
IMPROVEMENT OF THE LAND.


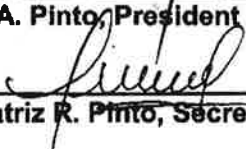
Lender
U.S. Bank National Association

Owner: Walter A. Pinto and Emperatriz
R. Pinto

By: 
Authorized Signor

By: 
Walter A. Pinto
By: 
Emperatriz R. Pinto

Tenant: W.P. CONSTRUCTION &
DEMOLITION INC.

By: 
Walter A. Pinto, President
By: 
Emperatriz R. Pinto, Secretary

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

STATE OF California)
COUNTY OF Orange) ss.

On August 24, 2004, before me,
CATHY C. KIEFT, personally appeared
WALTER A. PINTO, personally known to
me (or proved to me on the basis of satisfactory evidence) to be the person whose
name is subscribed to the within instrument and acknowledged to me that he/she
executed the same in his/her authorized capacity, and that by his/her signature on the
instrument the person, or the entity upon behalf of which the person acted, executed
the instrument.

Witness my hand and official seal.

Signature Cathy C. Kieft



STATE OF California)
COUNTY OF Orange) ss.

On August 24, 2004, before me,
CATHY C. KIEFT, personally appeared
WALTER A. PINTO, personally known to me (or
proved to me on the basis of satisfactory evidence) to be the person whose name is
subscribed to the within instrument and acknowledged to me that he/she executed the
same in his/her authorized capacity, and that by his/her signature on the instrument the
person, or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

Signature Cathy C. Kieft

