

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



ITEM: 19.12
(ID # 12391)

MEETING DATE:

Tuesday, April 18, 2023

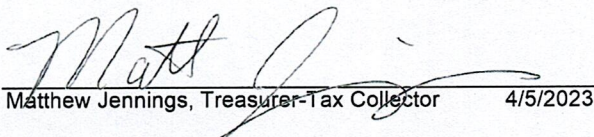
FROM : TREASURER-TAX COLLECTOR:

SUBJECT: TREASURER-TAX COLLECTOR: Public Hearing on the Recommendation for Distribution of Excess Proceeds for Tax Sale No. 209, Item(s) 545, 551, 553, 554, 555, & 556. Last assessed to: Damon Kubas, Trustee of the Natalie Kubas Living Trust dated April 9, 2010 and Successor Trustees. District 4. [\$10,529-Fund 65595 Excess Proceeds from Tax Sale]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the claims from Damon A. Kubas AKA Damon Kubas, Trustee for payment of excess proceeds resulting from the Tax Collector's public auction sale associated with parcels 723031003-3, 723122008-9, 723123005-9, 723123006-0, 723142002-5, & 723142003-6;
2. Authorize and direct the Auditor-Controller to issue a warrant to Damon A. Kubas AKA Damon Kubas, Trustee in the amount of \$10,529.14, no sooner than ninety days from the date of this order, unless an appeal has been filed in Superior Court, pursuant to the California Revenue and Taxation Code Section 4675.

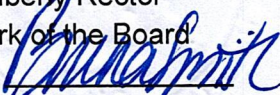
ACTION:Policy


Matthew Jennings, Treasurer-Tax Collector 4/5/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: April 18, 2023
xc: Tax Collector

Kimberly Rector
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$10,529	\$ 0	\$10,529	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Fund 65595 Excess Proceeds from Tax Sale.			Budget Adjustment:	N/A
			For Fiscal Year:	22/23

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

In accordance with Section 3691 et seq. of the California Revenue and Taxation Code, and with prior approval of the Board of Supervisors, the Tax Collector conducted the May 2, 2017 public auction sale. The deed conveying title to the purchasers at the auction was recorded June 21, 2017. Further, as required by Section 4676 of the California Revenue and Taxation Code, notice of the right to claim excess proceeds was given on July 24, 2017 to parties of interest as defined in Section 4675 of said code. Parties of interest have been determined by an examination of Parties of Interest Reports, Assessor's and Recorder's records, as well as various other research methods used to obtain current mailing addresses for these parties of interest.

The Treasurer-Tax Collector has received one claim per parcel for excess proceeds:

1. Claims from Damon A. Kubas AKA Damon Kubas, Trustee based on a Trust Transfer Deed that was recorded April 22, 2010 as Instrument No. 2010-0184390.

Pursuant to Section 4675 of the California Revenue and Taxation Code, it is the recommendation of this office that Damon A. Kubas AKA Damon Kubas, Trustee be awarded excess proceeds in the amount of \$10,529.14. Supporting documentation has been provided. The Tax Collector requests approval of the above recommended motion. Notice of this recommendation was sent to the claimant by certified mail.

EP 209	ITEM 545	723031003-3	\$2,176.57
EP 209	ITEM 551	723122008-9	\$1,026.57
EP 209	ITEM 553	723123005-9	\$1,672.57
EP 209	ITEM 554	723123006-0	\$171.57
EP 209	ITEM 555	723142002-5	\$1,716.93
EP 209	ITEM 556	723142003-6	\$3,764.93
TOTAL			\$10,529.14

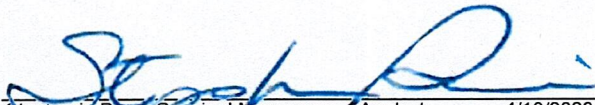
SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

Impact on Residents and Businesses

Excess proceeds will be released to the last assessee of the properties.

ATTACHMENTS (if any, in this order):

ATTACHMENT A. Claim Kubas


Stephanie Pezz, Principal Management Analyst 4/10/2023


Ronak Patel, Deputy County Counsel 3/14/2023

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY

RECEIVED

To: Don Kent, Treasurer-Tax Collector

2018 MAY 17 PM 1:33

Re: Claim for Excess Proceeds

RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

TC 209 Item 545 Assessment Number: 723031003-3

Assessee: KUBAS, DAMON TR

Situs:

Date Sold: May 2, 2017

Date Deed to Purchaser Recorded: June 21, 2017

Final Date to Submit Claim: June 21, 2018

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$2806.05 from the sale of the above mentioned real property. I/We were the lienholder(s), property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2016-084390 recorded on 4/22/2016. A copy of this document is attached hereto. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 4 day of May, 2018 at Riverside, CA
County, State



Signature of Claimant

Signature of Claimant

DAMON A KUBAS

Print Name

Print Name

7405 Via Pedestria

Street Address

Street Address

Palm Desert CA 92260

City, State, Zip

City, State, Zip

714-357-3159

Phone Number

Phone Number

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY

RECEIVED

To: Don Kent, Treasurer-Tax Collector

Re: Claim for Excess Proceeds

TC 209 Item 551 Assessment Number: 723122008-9

Assessee: KUBAS, DAMON TR

Situs:

Date Sold: May 2, 2017

Date Deed to Purchaser Recorded: June 21, 2017

Final Date to Submit Claim: June 21, 2018

2018 MAY 17 PM 1:33

RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$ 1646.05 from the sale of the above mentioned real property. I/We were the lienholder(s), property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2010-084390; recorded on 4/22/2010. A copy of this document is attached hereto. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 4 day of May, 2018 at Riverside, CA
County, State

[Signature]

Signature of Claimant

Signature of Claimant

DAMON A KUBAS

Print Name

Print Name

74105 Via Pelletier

Street Address

Street Address

Palm Desert, CA 92260

City, State, Zip

City, State, Zip

714 357 3159

Phone Number

Phone Number

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY

RECEIVED

To: Don Kent, Treasurer-Tax Collector

2018 MAY 17 PM 1:32

Re: Claim for Excess Proceeds

RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

TC 209 Item 553 Assessment Number: 723123005-9

Assessee: KUBAS, DAMON TR

Situs:

Date Sold: May 2, 2017

Date Deed to Purchaser Recorded: June 21, 2017

Final Date to Submit Claim: June 21, 2018

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$2292.05 from the sale of the above mentioned real property. I/We were the lienholder(s), property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2010-0184390 recorded on 4/22/2010. A copy of this document is attached hereto. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 4 day of May, 2018 at Riverside, CA
County, State

[Signature]

Signature of Claimant

Signature of Claimant

DAMON A KUBAS

Print Name

Print Name

74105 Via Pellegrina

Street Address

Street Address

Palm Desert, CA 92260

City, State, Zip

City, State, Zip

714-357-8159

Phone Number

Phone Number

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY

RECEIVED

To: Don Kent, Treasurer-Tax Collector

2018 MAY 17 PM 1:31

Re: Claim for Excess Proceeds

RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

TC 209 Item 554 Assessment Number: 723123006-0

Assessee: KUBAS, DAMON TR

Situs:

Date Sold: May 2, 2017

Date Deed to Purchaser Recorded: June 21, 2017

Final Date to Submit Claim: June 21, 2018

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$ 791.05 from the sale of the above mentioned real property. I/We were the lienholder(s), property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2010-0184390 recorded on 4/22/2010. A copy of this document is attached hereto. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 4 day of May, 2018 at Riverside, CA
County, State

DAD

Signature of Claimant

Signature of Claimant

DAMON A KUBAS

Print Name

Print Name

74105 Via Perlestrind

Street Address

Street Address

Palm Desert CA 92260

City, State, Zip

City, State, Zip

714-357-3159

Phone Number

Phone Number

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY

RECEIVED

To: Don Kent, Treasurer-Tax Collector

2018 MAY 17 PM 1:30

Re: Claim for Excess Proceeds

RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

TC 209 Item 555 Assessment Number: 723142002-5

Assessee: KUBAS, DAMON TR

Situs:

Date Sold: May 2, 2017

Date Deed to Purchaser Recorded: June 21, 2017

Final Date to Submit Claim: June 21, 2018

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$2383.02 from the sale of the above mentioned real property. I/We were the lienholder(s), property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2018-0184390; recorded on 4/11/2018. A copy of this document is attached hereto. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 4 day of May, 2018 at Riverside, CA
County, State

DAMON
Signature of Claimant

Signature of Claimant

DAMON A KUBAS
Print Name

Print Name

74105 Via Pellastina
Street Address

Street Address

Palm Desert, CA 92260
City, State, Zip

City, State, Zip

714-357-3159
Phone Number

Phone Number

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY

RECEIVED

To: Don Kent, Treasurer-Tax Collector

Re: Claim for Excess Proceeds

TC 209 Item 556 Assessment Number: 723142003-6

Assessee: KUBAS, DAMON TR

Situs:

Date Sold: May 2, 2017

Date Deed to Purchaser Recorded: June 21, 2017

Final Date to Submit Claim: June 21, 2018

2018 MAY 17 PM 1:31

RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$4431.02 from the sale of the above mentioned real property. I/We were the lienholder(s), property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2010-084390 recorded on 2/12/2010. A copy of this document is attached hereto. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 4 day of May, 2018 at Riverside, CA
County, State

[Signature]
Signature of Claimant

Signature of Claimant

DAMON A KUBAS
Print Name

Print Name

74105 Via Pellegrina
Street Address

Street Address

Palm Desert, CA 92260
City, State, Zip

City, State, Zip

714-357-3159
Phone Number

Phone Number

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO**

RANDALL S. JACKSON, ESQ.
77-564 Country Club Drive, Suite 114
Palm Desert, CA 92211

DOC # 2010-0184390

04/22/2010 08:00A Fee:31.00

Page 1 of 3

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



MAIL TAX STATEMENTS TO

Damon Kubas, Trustee
PO Box 11441
Palm Desert, CA 92255

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APN: 723-031-003; 723-122-008,014; 723-123-005, 006; 723-142-002, 003; Space above this line for Recorder's Use
723-224-003

32 C
803

TRUST TRANSFER DEED

GRANT DEED (Excluded from Reappraisal Under Proposition 13, i.e., Calif. Const. Art 13A§1 et seq.)

The undersigned Grantor(s) declare(s) under penalty of perjury that the following is true and correct: THERE IS NO CONSIDERATION FOR THIS TRANSFER.

Documentary Transfer Tax is \$-0-. County of Riverside, State of California.

This is a Trust Transfer under §62 of the Revenue and Taxation Code by the following exclusion: TRANSFER TO A REVOCABLE TRUST.

GRANTOR(S): NATALIE KUBAS

hereby GRANT(S) to: DAMON KUBAS, Trustee of the NATALIE KUBAS LIVING TRUST dated April 9, 2010 and Successor Trustees

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

MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

DATED: 4-9-2010


NATALIE KUBAS

Exhibit "A"

Parcel 1

Lot 226, M/B 29/18&19, APN 723-031-003.

Parcel 2

Lot 126 MB 039/040 North Shore Beach Estates, APN 723-122-008.

Parcel 3

Portion of Lot 127, MB 039/040 North Shore Beach Estates, APN 723-122-014.

Parcel 4

Lots 143 and 144, MB 039/040 North Shore Beach Estates, APN 723-123-005, 006.

Parcel 5

Lots 255 and 256, MB 039/040 North Shore Beach Estates, APN 723-142-002, 003.

Parcel 6

Lot 63, MB 036/023 North Shore Beach Estates, APN 723-224-003.



**THE NATALIE KUBAS
LIVING TRUST**

THIS AGREEMENT is made April 9, 2010, between Natalie Kubas of Palm Desert, California, referred to as "Grantor," and Damon Anthony Kubas of Palm Desert, California, referred to as "Trustee."

Grantor is creating a revocable trust for the purposes set forth in this Agreement. Grantor, therefore, is transferring all of her property to the Trustee, including but not limited to, the property listed in the attached schedule. The Trustee shall hold the property and any other property which the Trustee may acquire from Grantor or from other people, all of which is collectively referred to as the "trust," in trust, upon the following terms.

ARTICLE I

DISTRIBUTION OF TRUST PROPERTY

(A) **Distribution during life of Grantor.** While Grantor is living, the Trustee shall pay to Grantor any net income of the trust and property or sums of money from the principal of the trust which Grantor may, from time to time request, without limitation as to the amounts of or the reasons for such withdrawals of income or principal. The Trustee shall accumulate the net income of the trust not so requested by Grantor and shall add it to the principal of the trust at such times as the Trustee shall determine.

(B) **Distribution of specific bequests upon death of Grantor.** Upon Grantor's death, the Trustee shall make the following distributions to the following institutions, and to the following persons who survive Grantor:

Grantor reserves the right to make additional specific bequests by written instructions to the Trustee.

(C) **Distribution of tangible personal property upon Grantor's death.** Upon Grantor's death, the Trustee shall distribute the rest of Grantor's tangible personal property not disposed of in Paragraph (B) of this Article I, or all of Grantor's tangible personal property if there are no specific bequests of tangible personal property, as a part of the rest of the trust.

(D) **Distribution of rest of property upon Grantor's death.** Upon Grantor's death, the Trustee shall distribute the rest of the principal and undistributed net income of the trust (together with any other property to which the Trustee shall be entitled by reason of Grantor's death and less any taxes, debts, expenses or other obligations payable by the Trustee as a result of Grantor's death) to the following beneficiaries in the following proportions:

Paul Creighton Kubas 20%
Diane Roman Kubas 20%
Michael Thomas Kubas 20%

Damon Anthony Kubas 20% and
Janelle Marie Wilson 20%

(E) **Default distribution provision.** If, when any separate trust is ended, none of the intended beneficiaries of the trust is living, the Trustee shall distribute the property to whomever and in the same proportions as, Grantor's Personal Representative would have been required to distribute it had Grantor died intestate, unmarried, and a resident of the state of California at such time and owning such property, provided that Erica Jordan Curry, the un-adopted step-daughter of Michael Thomas Kubas, shall be included in said distribution in the same proportion as she would have been had she been adopted by Michael.

ARTICLE II

SUPPLEMENTAL TRUST PROVISIONS

The provisions in this Agreement for the distribution of the trust shall be supplemented by the following:

(A) **Survivorship requirement.** Each beneficiary shall be deemed not to have survived Grantor unless such beneficiary is living on the ninety-first day after the date of Grantor's death.

(B) **Discretionary distribution of principal.** If, at any time, in the judgment of the Trustee, the aggregate of the income payable hereunder and the funds available to any beneficiary from all other sources of which the Trustee shall have actual knowledge is insufficient to provide adequately for the support, medical care and education (including college and professional education) of the beneficiary, the Trustee, in the discretion of the Trustee, may pay to or for the benefit of the beneficiary, from the principal of any trust of which the beneficiary is entitled or permitted to receive the income, amounts that the Trustee shall deem advisable for that purpose. purpose. The Trustee shall exercise liberally this right to make principal distributions and the interests of current income beneficiaries shall be preferred to the interests of other beneficiaries. No such payment to any beneficiary shall be treated as an advancement of any future payment to be made to such beneficiary.

(C) **Distributions to minors or disabled beneficiaries.** Whenever any beneficiary of the trust (including Grantor) is a minor or is otherwise under a legal disability or, in the judgment of the Trustee, is for any reason unable to apply any distribution to such beneficiary's own best advantage:

1. The Trustee may nevertheless make the distribution directly to the beneficiary, or to the conservator of the beneficiary's property, or to a custodian for the beneficiary under a Uniform Transfer or Gift to Minors Act, or to a person with whom the beneficiary resides at the time of the distribution, to be used for the benefit of the beneficiary, or may apply it for the benefit of the beneficiary, in whatever manner the Trustee shall deem best. The receipt by such beneficiary, conservator or other person of any distribution so made shall be a complete discharge to the Trustee regarding the distribution.

2. The Trustee may withhold so much or all of the distribution as, in the judgment of the Trustee, shall exceed the amount needed to provide for the support, medical care and education of the beneficiary, taking into consideration all other funds available to the beneficiary that the Trustee shall actually know about, and any withheld income shall be added to the principal of the trust from which it was derived.

The decision of the Trustee in any such case shall be final and binding upon all beneficiaries.

(D) Spendthrift provision. No interest of any beneficiary shall be subject to assignment, anticipation, claims of creditors or attachment by legal process, provided that this provision shall not be deemed to be a limitation upon any power reserved by Grantor or upon any right of any beneficiary to renounce, in whole or in part, any provisions of the trust for the benefit of such beneficiary or upon any power of appointment herein granted. As to any interest in the trust so renounced by a beneficiary, the trust shall be construed as though such beneficiary predeceased Grantor if the beneficiary's renunciation occurred within nine months following the date of Grantor's death and the beneficiary has not accepted any of the benefits so renounced.

(E) Payment of beneficiary's funeral and burial expenses. Upon the death of any then current income beneficiary of the trust, the Trustee may, in the discretion of the Trustee, after taking into consideration other sources of funds available to the estate of the beneficiary that the Trustee shall actually know about, and subject to any power of appointment, pay the beneficiary's funeral and burial expenses, including the cost of an interment space and marker, out of the trust.

(F) Alternate termination provisions. Regardless of any contrary provision of this Agreement, no trust created hereunder shall be construed to extend beyond the period permitted by applicable law. If the applicable law would require the termination of any trust within a period of time which is shorter than that contemplated in this Agreement, the trust so affected shall terminate on the last day on which the trust could exist under such applicable law. The Trustee may terminate, at any time, any trust that has an aggregate principal value of One Hundred Thousand Dollars or less. Upon termination of any trust, the Trustees shall distribute the trust, free of the trust, to the income beneficiaries of the trust in the proportions to which they are entitled or permitted to receive the income from it.

(G) Determination if power of appointment is exercised. To avoid undue delay, Grantor directs that if, at the expiration of three calendar months after the date of death of any person upon whom a testamentary power of appointment is herein conferred, no Will of such person, of which the Trustee may have knowledge, has been offered for probate, the Trustee may find that such person died intestate and did not exercise the power of appointment herein conferred. Similarly, if at the expiration of three calendar months after the date of death of such person, a Will of such person has been offered for probate, the Trustee may find that the Will was the last Will of such person and be guided by the provisions therein in determining whether or not the power of appointment herein conferred has been exercised, and, if exercised, the extent and manner thereof. The two preceding sentences are intended to protect the Trustee in making

distribution in accordance with any such finding, but are not intended to conclude the rights of persons beneficially interested as between themselves nor as against any others to whom the Trustee may have made the distribution.

(H) **Consolidation of trust property for beneficiaries.** The Trustee may, but shall not be required to, consolidate and commingle, in whole or in part and at any time or times, property of the trust herein created with the property of any other trust held for the same beneficiaries, provided the terms of the trusts are substantially the same so that there will be no conflict in the administration thereof, and to this end the Trustee may establish a common or coordinated system of accounting or bookkeeping in which the two trusts shall be considered and treated as if one trust.

(I) **Payment of taxes, debts, and expenses.** The Trustee may purchase with trust funds, at market value at the time of purchase, any property tendered to the Trustee by the Personal Representative of Grantor's estate. In case of uncertainty as to the market value of any property, it shall be fixed by the Trustee and Grantor's Personal Representative and their determination as to the value shall be conclusive. In addition, the Trustee, when amounts needed are certified by Grantor's Personal Representative (or when the amounts are determined by the Trustee), shall be authorized in the discretion of the Trustee, to pay to Grantor's Personal Representative (or to pay directly) amounts needed to pay all lawful debts and costs of administration of Grantor's estate, all bequests contained in Grantor's Will and, to the extent that Grantor has not provided otherwise, all taxes (including any interest and penalties) imposed by reason of Grantor's death, whether or not the taxes are payable by Grantor's estate or by the recipient of any property. All payments made by the Trustee in accordance with this paragraph shall be made without any right of reimbursement from Grantor's Personal Representative or from the recipient of the property, and the decision of the Trustee as to the propriety and amount of any payment shall be conclusive. The Trustee may, in the discretion of the Trustee, defer the termination of the trust, in whole or in part, until such time as the debts, costs of administration of Grantor's estate and taxes are determined.

(J) **Governing law.** This Agreement shall be construed and administered and the validity of the trust hereby created shall be determined in accordance with the laws of the State of California.

ARTICLE III

ADMINISTRATIVE POWERS OF TRUSTEE

In addition to the existing authority of the Trustee, and unless this Trust Agreement provides otherwise, the Trustee may:

(A) **Powers regarding investments.** Retain original investments and invest in any variety of real or personal property, including investment trusts and common trust funds made available to the trust, whether or not administered by a Trustee, including any investment company organized under the Investment Company Act of 1940 (mutual fund), for which a Trustee, or an affiliate, is acting as an investment advisor or in any other capacity, for such

Trustee's own profit, and including the purchase and sale of futures; write call options on securities held by the trust; make investments without diversifying them; and retain investments with a view to possible increase in value, all without any obligation to keep the trust invested in the type of property designated by law or custom as legal for the investment of trust funds.

(B) **Power to sell.** Sell, lease or grant options with respect to any real or personal property, alone or in conjunction with any co-owner of such property, in such manner, for such purposes, for such prices and upon such terms, credits and conditions as may be deemed advisable. Any lease may extend beyond the period fixed by law for leases made by fiduciaries and beyond the duration of the trust.

(C) **Power to borrow.** Borrow money from others or from the Trustee, in the Trustee's individual capacity, for any purpose connected with the protection, preservation or improvement of the trust, and as security to mortgage or pledge any real or personal property (including purchases on margin), alone or in conjunction with any co-owner of such property, whenever and upon such terms and conditions as may be deemed advisable.

(D) **Power to vote securities.** Vote in person or by proxy with respect to any securities; consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution or liquidation of any corporation; exercise conversion, subscription or other rights and make payment therefor, or to sell or abandon such rights; and register any securities or other property in the name of a nominee or keep any part of them in such condition that they will pass by delivery.

(E) **Power regarding indebtedness.** Renew, modify or extend the time of payment of any obligation, secured or unsecured, payable to or by the trust, or continue such obligation after maturity without renewal or extension, in such manner as may be deemed advisable; and pay, adjust, compromise, arbitrate, release or abandon claims or demands in favor of or against the trust, including the acceptance of real property in satisfaction of any obligation upon such terms as may be deemed advisable.

(F) **Power to employ service providers.** Employ agents, attorneys and any other persons whose services may reasonably be required in connection with administration of the trust from time to time; delegate authority when such delegation is advantageous to the trust, and pay reasonable compensation therefor.

(G) **Power regarding payment of trust expenses.** Pay all trust expenses, taxes, penalties or other charges and charge the same against principal or income or partly against the principal and partly against the income of the whole or any part of the trust; and allocate or apportion gains and losses realized from the sale or other disposition of any asset as between principal and income and generally equitably determine what is principal and what is income of the trust; provided that such discretion shall be exercised so as to balance fairly the interest of the income and remainderman beneficiaries of the trust.

(H) **Power to deal with related parties.** Enter into any transaction authorized hereunder with the Personal Representative of Grantor's estate, with any beneficiary of Grantor's

estate or of this trust, with the Personal Representative of the estate of any beneficiary and with the Trustee of any other trust created by Grantor and any trust created by any beneficiary, even though the Personal Representative, beneficiary, or Trustee is also a Trustee hereunder. The Trustee may purchase with trust funds, at market value at the time of purchase, any property tendered to the Trustee by the Personal Representative of Grantor's estate. In case of uncertainty as to the market value of any property, it shall be fixed by the Trustee and Grantor's Personal Representative and their determination as to the value shall be conclusive.

(I) **Power regarding separate shares of the trust.** Hold and retain the principal of the trust undivided until actual division shall become necessary in order to make distributions; hold, manage, invest and account for the several shares or parts thereof by appropriate entries on the books of account of the trust; and allocate to each share or part its proportionate part of all receipts and expenses.

(J) **Power regarding division of trust assets.** Make any division or distribution of the trust in money or in other property, or partly in both, upon the basis of fair market values and to cause any share to be composed of money, property or undivided fractional shares in property different in kind from any other share, and for that purpose, determine the market value of any asset of the trust on the basis of such information as may be deemed reliable. Any such decision, including the decision to sell any assets of the trust in order to make the division or distribution in money, shall be binding and conclusive upon all persons.

(K) **Power to permit use of trust property.** Permit any beneficiaries of the trust (including Grantor) to use any tangible personal property or real property without paying any rent, without giving any bond or security and without liability for any loss or damage. The Trustee shall not be liable or responsible for any injury to, or consumption of any such property so used; nor, while Grantor is using such property, shall the Trustee be responsible for the payment of any taxes thereon; nor shall the Trustee have any responsibility for keeping such property insured or for keeping the property in proper repair.

(L) **Power to receive additional property.** Receive additional property acceptable to the Trustee from any source and, if received following Grantor's death, add such property to the trust or trusts as required by the person making the addition, or, in the absence of such direction, add such property equally to the trusts then in existence.

(M) **Power to exercise stock options.** Exercise any stock options which the trust may own and borrow money for that purpose.

(N) **Power regarding real estate.** Improve, manage and protect any real property at any time forming a part of the trust; contract respecting the manner of fixing the amount of present and future rentals; partition said property or any part thereof; grant easements or charges of any kind; carry insurance against such hazards, including public liability, in amounts as may be deemed advisable; and establish out of income reserves for taxes, assessments, insurance, repairs, improvements, depreciation, obsolescence and general maintenance of buildings and other property, and for the equalization of payments to or for beneficiaries entitled to receive income, as may be deemed advisable.

(O) **Power to sign documents.** Sign and deliver any instruments which may be deemed advisable to carry out any of the foregoing powers. No person dealing with the Trustee shall be obligated to inquire into the validity of any action taken by the Trustee or be bound to see to the application of any money or other property paid or delivered to the Trustee.

(P) **Power to allocate basis in assets.** Allocate any basis increase (including any spousal basis increase) otherwise allowed under Section 1022(b) of the Internal Revenue Code, including any subsequent Code Section to any property of the trust or which is otherwise includable in the Grantor's estate in such proportions and amounts as the Trustee shall determine, even if such election shall benefit a Trustee individually. Any allocation made by the Trustee shall be binding and conclusive upon all parties and interests. In addition, the Trustee shall be indemnified and reimbursed from the trust estate for any liability or expense incurred by such Trustee in a fiduciary capacity by reason of any such allocation made by the Trustee.

(Q) **Power to self-deal.** The Trustee, acting as an individual or as a trustee of another trust not created by this trust instrument, shall have the power to perform the following acts with respect to the property of any trust under this trust instrument: purchase property from or sell property to the trust at fair market value; exchange property for trust property of equal value; lease property from or to the trust at fair rental value; lend or advance funds to the trust, with interest at then-prevailing rates, and receive security for the loans in any commercially reasonable form; and receive from any business in which the trust has an interest a reasonable salary and reimbursement of expenses while performing duties as trustee. The trustee, acting as trustee of another trust established by the Grantor or another trust established for the benefit of any one or more benefit of any one or more of the beneficiaries of the trust, shall have the power to borrow funds from the trust with interest at then-prevailing rates, and give security for the loans in any commercially reasonable form.

(R) **Power regarding life insurance policies.** Acquire or retain as an asset of the trust a life insurance policy on the life of any person to whom the income of the trust is payable, or on the life of any person in whom the income beneficiary has an insurable interest, from companies and in amounts deemed advisable; pay premiums on all insurance policies, from income or principal or both; borrow money for the purpose of paying the premiums; elect any option, reduce the amount of, and convert or exchange any policy; permit the proceeds of any life insurance policy payable to the trust to remain with the insurance company under any option available under the terms of the policy; and all insurance shall be payable to and all incidents of ownership shall be vested in the trust. The Trustee may purchase with the proceeds of any policy payable upon the death of the insured under the policy, assets of the estate of the insured person at the market value of the assets at the time of purchase.

(S) **Power to operate businesses.** Continue and operate any business owned by Grantor at Grantor's death and to do any and all things deemed needful or appropriate, including the power to incorporate or otherwise change the form of the business and put additional capital into the business.

ARTICLE IV

TRUSTEE PROVISIONS

(A) **Receipt and acceptance of Trustee.** The Trustee acknowledges receipt from Grantor of the property constituting the trust and accepts the trust upon the terms herein set forth.

(B) **Successor Trustee.** If Damon Anthony Kubas ceases to act as Trustee, the following persons or bank or trust company shall serve as alternate or successor Trustee to serve in the order specified below, and if the first alternate or successor Trustee shall fail to qualify or cease to act as Trustee, the second alternate Trustee shall serve as Trustee, and if the second alternate Trustee shall fail to qualify or cease to act as Trustee, the third alternate Trustee shall serve as Trustee.

Grantor's Son Paul Creighton Kubas - First Alternate
Grantor's Son-in-Law, Jason Wilson - Second Alternate

(C) **Waiver of bond.** No bond or surety shall be required of any Trustee serving hereunder.

(D) **Provisions regarding interpreting this Agreement.**

1. **Definition of certain terms.** Throughout this Trust Agreement the use of any gender shall be deemed to include all genders, and the use of the singular the plural, and vice versa. The terms "child" and "descendant" shall include an adopted person and such adopted person's descendants.

2. **Captions.** The captions of Articles and paragraphs appearing herein are for convenience of reference only and shall have no significance in the construction or interpretation of this Trust Agreement.

(E) **Resignation and Removal of Trustee.** Any Trustee may resign at any time by giving not less than twenty days' written notice to Grantor, while Grantor is living, and following Grantor's death to the adult and otherwise legally competent beneficiary or beneficiaries then entitled to or permitted to receive the income, if any, from a separate trust or, if none, to the parent, guardian or conservator of each income beneficiary of the trust who is a minor or is otherwise under a legal disability. Until the end of the calendar year following the year in which two of the four Palm Desert properties are sold, Damon Kubas may not be removed as Trustee (for example, if three of the five properties are sold in 2010, Damon Kubas may not be removed until December 31, 2011). Subject to the limitation of the foregoing sentence, Grantor, with the consent of a majority of the beneficiaries listed in Paragraph (D) of Article I, may remove any Trustee by written notice delivered to the Trustee not less than twenty days prior to the effective date of the removal. Following Grantor's death, such adult beneficiary or a majority in interest of the adult beneficiaries, as the case may be, then entitled to or permitted to receive the income of a separate trust, or if there are none the parent, legal guardian, or conservator of each income

beneficiary who is a minor or is otherwise under a legal disability, may remove any Trustee by written notice delivered to the Trustee not less than twenty days prior to the effective date of the removal. The person or persons to whom the notice of resignation is given or who exercise such power of removal, without the concurrence of and without liability to any other beneficiary, may (i) on behalf of all beneficiaries, approve the accounts of and give a complete release and discharge to any resigned or removed Trustee notwithstanding that such person's interests may possibly be or become adverse to those of other beneficiaries, and (ii) upon the failure to qualify, resignation or removal of a corporate Trustee, shall appoint a bank or trust company having at least five full time trust officials, wherever situated, as successor corporate Trustee. Any resigned or removed Trustee shall deliver the trust assets under such Trustee's control to the successor Trustee and the successor Trustee is authorized and directed to accept such trust assets. No successor Trustee shall be liable or responsible for any act or default of any predecessor Trustee or for any loss or expense resulting from anything done or neglected to be done in the administration of the trust prior to becoming a Trustee or be required to inquire into or take any notice of the prior administration of the trust.

(F) **Incapacity of individual Trustee.** An individual Trustee shall be deemed conclusively to have ceased to act as Trustee upon the successor Trustee receiving a written statement from a physician, to the effect that, in the physician's opinion, the individual Trustee is either not mentally able or not physically able to manage such Trustee's own financial affairs or when a guardian or conservator is appointed for the person or estate of the Trustee.

(G) **Accountings of Trustee.** The Trustee shall not be required to file inventories or interim or final accountings with any court and all statutory requirements with regard to filing of inventories and accountings are waived. The Trustee shall, however, render an accounting at least once each quarter to Grantor and upon Grantor's death to each beneficiary entitled to or permitted to receive current distributions from the trust (or to the legal or natural guardian of a beneficiary who is a minor or is otherwise under a legal disability). The accounting shall show receipts, disbursements and distributions of principal and income since the last accounting and trust assets at the time of the accounting. If no objection is made to an accounting, then ninety days after a copy of the accounting has been sent to such beneficiary or, if such beneficiary is a minor or is otherwise under a legal disability, to such beneficiary's legal or natural guardian, such accounting shall be conclusively presumed to have been approved as to all actions reflected in the accounting.

(H) **Limitation on discretionary distributions by a beneficiary serving as Trustee.** Irrespective of any contrary provisions, following Grantor's death, no beneficiary, while serving as Trustee hereunder, shall participate in any decision concerning discretionary payments from the trust either directly or indirectly to or for the benefit of such beneficiary, other than discretionary payments made pursuant to an "ascertainable standard" as that term is used for federal estate tax purposes. Specifically, no such Trustee shall participate in any decision concerning any discretionary payment to or for the benefit of a person if such payment relieves the Trustee of a legal obligation to support such person unless the indirect benefit to the Trustee is a payment pursuant to an ascertainable standard as to such Trustee.

(I) **Employment of advisers.** The Trustee may employ such investment counsel,

advisers, custodians, agents and assistants as the Trustee shall deem advisable; confer with and receive the recommendations of the investment counsel and advisers; deposit all or any part of the trust estate with or in the custody of any custodian; delegate to the custodian, agent or assistant such authority, discretionary or otherwise, as the Trustee shall deem advisable; and pay reasonable compensation for and expenses of investment counsel, advisers, custodians, agents and assistants out of income or out of principal, or in part out of each. The Trustee shall not be liable for any loss to the trust as a result of a deposit with a custodian, or for any wrongful act or omission of investment counsel, adviser, custodian, agent or assistant employed in good faith.

(J) **Retention of assets on revocation.** In the event of any revocation of all or part of the trust, the Trustee shall be entitled to retain sufficient assets to reasonably secure the payment of liabilities the Trustee has lawfully incurred in administering the trust and any fees that have been earned by the trustee, until such time as those liabilities have been discharged and fees paid. Subject to the foregoing, the Trustee shall promptly deliver the designated property to Grantor upon revocation.

ARTICLE V

AMENDMENT OF TRUST AND MISCELLANEOUS PROVISIONS

(A) **Limited power of Trustee to amend trust.** Regardless of any contrary provisions, while Grantor is legally incapacitated but does not have an Agent under Grantor's Durable Power of Attorney who is legally capable of amending this Trust Agreement and, following Grantor's death, the Trustee may but need not, from time to time, amend or restate the provisions of this trust in order to permit the Trustee to (i) cope with tax or other circumstantial changes that may affect the trust or its beneficiaries, (ii) take advantage of changed trust drafting approaches, (iii) cope with potential trust problems or otherwise improve the clarity and administerability of the trust provisions, and (iv) remove provisions which are no longer necessary or operative all in such manner as the Trustee, in the sole discretion of the Trustee, shall deem appropriate and in accordance with the original intent of the Grantor in light of the then circumstances as such original intent is determined by the Trustee. This power of amendment of the Trustee shall include but not be limited to the right to:

1. Change the terms of any power of appointment herein granted;
2. Change the provisions with regard to any beneficiary's right of withdrawal of trust principal, if any, following the death of Grantor, including the time when such right of withdrawal may be exercised, and including the right of the Trustee to grant rights of withdrawal of trust principal to a beneficiary and to eliminate an existing right of withdrawal following the death of Grantor;
3. Provide for the creation of one or more separate subtrusts of any trust or revise the terms of any trust created hereunder to permit trust assets or a trust beneficiary to qualify for any governmental or tax benefit or exemption, or generation skipping transfer tax exemption; permit a beneficiary to disclaim a portion of the trust; or permit shares of "S" Corporation stock to be

held in a subtrust that satisfies the statutory requirements for a qualifying shareholder;

4. Restrict, in any way determined by the Trustee to be beneficial to the trust or a beneficiary, revocably or irrevocably, the future exercise of any power held by any beneficiary or Trustee hereunder;

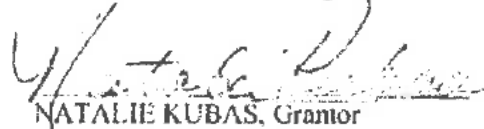
Any other provision of this paragraph to the contrary notwithstanding, the Trustee shall not, however, have the power to amend the trust in such a manner as to (i) reduce the restrictions or limitations on the limited power of amendment of the Trustee as set forth in this paragraph nor (ii) result in any direct or indirect financial benefit to any individual who is not, at the time of such amendment, already a present or potential future beneficiary of this trust other than merely through the exercise of a power of appointment herein granted, nor (iii) make any changes that would have the effect of eliminating or reducing any substantial deduction, credit, exclusion, or other tax benefit, a significant grandfathered status or a protection from claims of creditors of Grantor, the trust or a beneficiary of the trust, nor (iv) limit a beneficiary's rights resulting from transfers from the trust to the beneficiary prior to the time of the amendment, nor (v) result in any direct or indirect financial benefit to a then acting Trustee, nor (vi) restrict the Grantor's right to alter, amend or revoke this Agreement. Any such amendment may be made, by an instrument in writing signed by the Trustee and a copy of the amendment shall be delivered to the Grantor and, following Grantor's death, to the current beneficiaries of this trust. The Trustee shall have no duty to monitor the beneficiaries or their circumstances, applicable tax laws and other laws and changes in such laws, or the trust created hereunder in order to determine whether or not any of the powers and discretions conferred under this paragraph should be exercised. Any exercise or non-exercise of the powers and discretions granted to the Trustee, including the amending of this Agreement, shall be in the sole and absolute discretion of the Trustee, and shall be binding and conclusive on all persons interested in this trust. Absent bad faith, the Trustee shall not be liable for the consequences of exercising or not exercising any power or discretion granted under this paragraph, including exercising or not exercising the power and discretion to amend this Agreement, and, if amended, the terms and provisions of such amendment, but rather the Trustee shall be exonerated from any and all such liability and from any and all liability for the acts or omissions of any other fiduciary. The Trustee, for instance, may conclusively rely on the opinion of legal counsel retained by the Trustee in the exercise or nonexercise of the powers and discretions granted under this paragraph or may act or not act without seeking the opinion of legal counsel.

(B) **Binding Applicability.** All the powers, duties and discretions herein conferred shall extend to and be binding upon any Trustee hereunder, whether such be the Trustee named herein or the successors or substitutes of the Trustee. This Agreement also shall extend to and be binding upon the Personal Representative and assigns of the Grantor.

(C) **Grantor's power to amend trust.** Until the end of the calendar year following the year in which the second of the four Palm Desert properties are sold, Grantor may not amend or revoke this Agreement. Thereafter, Grantor, with the consent of a majority of the beneficiaries identified in Paragraph (D) of Article I, reserves the right, at any time and from time to time, to amend or revoke this Agreement, in whole or in part, by written notice to the Trustee. No amendment shall be made, however, which shall in any way increase the obligations

of the Trustee or change the rights or duties of the Trustee without the written consent of the Trustee. Upon any revocation, the Trustee shall deliver to the Grantor, against receipt, any property as to which the trust has been revoked, together with supporting instruments as may be necessary to release any interest the Trustee may have in the property.

IN WITNESS WHEREOF, this Agreement has been executed by Grantor and by the Trustee in three counterparts, any one of which shall be deemed an original.


NATALIE KUBAS, Grantor


DAMON ANTHONY KUBAS,
Trustee

SCHEDULE

The following described assets of Grantor are being transferred to the foregoing trust, subject to all the terms and provisions thereof:

A. All of the Tangible Personal Property of Natalie Kubas now owned or hereafter acquired, which property is hereby assigned and conveyed to the trust.

B. Checking Account # [REDACTED] at El Paseo Bank, Palm Desert, California.

C. The Real Property Described A Follows:

1. 152 Sandpiper, Palm Desert, CA 92260 (APN:640-240-006)
2. 171 Sandpiper, Palm Desert, CA 92260 (APN: 640-240-018)
3. 813 Sandpiper, Palm Desert, 92260 (also known as 72811 Willow St #813 APN:640-220-030)
4. 905 Sandpiper, Palm Desert, CA 92260 (also known as 72515 El Paseo, #905 APN: 640-200-022)
5. Vacant land in unincorporated portion of Riverside County in area commonly known as North Shore (APN 723-031-003, Lot 126 MB 039/040 North Shore Beach Estates, APN 723-122-008; Portion of Lot 127, MB 039/040 North Shore Beach Estates, APN 723-122-014; Lot 143, MB 039/040 North Shore Beach Estates, APN 723-123-005; Lot 144, MB 039/040 North Shore Beach Estates, APN 723-123-006; Lot 255, MB 039/040 North Shore Beach Estates, APN 723-142-002; Lot 256, MB 039/040 North Shore Beach Estates, APN 723-142-003; Lot 63, MB 036/023 North Shore Beach Estates, APN 723-224-003)
6. 20% Interest in 3771 Harvill Ln, Riverside, CA 92403 (APN: 135-151-003)
7. Vacant land in unincorporated portion of Los Angeles County (APN 3258-011-032)
8. Vacant land in unincorporated portion of Los Angeles County (APN 3262-018-005)