

DEED OF TRUST

THIS INDENTURE, made this 30th day of November, 2012

between

DISABLED RESOURCE SERVICES, INC.

whose address is **1017 ROBERTSON STREET, FORT COLLINS, CO 80524**

hereinafter referred to as Grantor, and the Public Trustee of the County of Larimer, State of Colorado,
hereinafter referred to as Public Trustee,

WITNESSETH, THAT, WHEREAS Disabled Resource Services, Inc.

has executed a Promissory Note or Notes, hereinafter referred to in the singular, dated **November 30, 2012**

for the principal sum of **THREE HUNDRED EIGHTY-FIVE THOUSAND (\$385,000) DOLLARS,**

payable to the order of the **THE CITY OF FORT COLLINS, COLORADO**, a Colorado municipal corporation whose address is **300 LAPORTE AVENUE, FORT COLLINS, COLORADO 80521** after the date hereof, with interest thereon from the date thereof at the rate of **-0-** per cent per annum, payable with a five percent (5%) service fee, at once upon the occurrence of the first of the following events: (1) sale or transfer of any interest in the property, except in the case of foreclosure or as is otherwise allowed pursuant to this Deed of Trust; or (2) Grantor fails to utilize the real property secured by this Deed of Trust as a CDBG-eligible public facility owned by Grantor, providing a direct service benefit to a client population consisting of at least fifty-one percent (51%) extremely low-, very low-, and/or low-income persons; or (3) equity is removed from the property; or (4) ninety years from the date of the Promissory Note.

AND WHEREAS, the Grantor is desirous of securing payment of the principal and interest of said Promissory Note in whose hands so ever the said note or any of them may be.

NOW THEREFORE, the Grantor, in consideration of the premises and for the purpose aforesaid, does hereby grant, bargain, sell and convey unto the said Public Trustee in trust forever, the following described property, situate in the County of Larimer, State of Colorado, to wit:

~~Condominium Unit B, the 1017 Robertson Condominiums, according to the Condominium Map for the 1017 Robertson Condominiums recorded on _____, 2012 at Reception No. _____ and subject to the Declaration of Covenants, Conditions, and Restrictions for the 1017 Robertson Condominiums recorded on _____, 2012 at Reception No. _____ in the offices of the County Clerk and Recorder, Larimer County, Colorado.~~

** see attached Exhibit A*

also known by street and number as: **1017 Robertson Unit B, Fort Collins, CO 80524**

and Larimer County Assessor's Parcel #: _____

**RETURN TO: CDBG PROGRAM
SOCIAL SUSTAINABILITY DEPARTMENT
CITY OF FORT COLLINS
P.O. BOX 580
FORT COLLINS, CO 80522**



25111487

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SOCIAL SUSTAINABILITY DEPARTMENT
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P.O. BOX 580
FORT COLLINS, CO 80522**

TO HAVE AND TO HOLD the same, together with all and singular the privileges and appurtenances thereunto belonging: In trust nevertheless, that in case of default in the payment of said Note, or any of them, or in the payment of any prior encumbrances, principal or interest, if any, or in case default shall be made in or in case of violation or breach of any of the terms, conditions, covenants or agreements herein contained, the beneficiary hereunder or the legal holder of the indebtedness secured hereby may declare a violation of any of the covenants herein contained and may elect to advertise said property for sale, and demand such sale by filing a notice of election and demand for sale with the Public Trustee. Upon receipt of such notice of election and demand for sale, the Public Trustee shall cause a copy of the same to be recorded in the recorder's office of the county in which said property is situated. The Public Trustee shall then give public notice of the time and place of sale by advertisement to be published for four weeks (once each week for five successive weeks) in some newspaper of general circulation at the time published in the county or counties in which said property is located. A copy of such notice shall be mailed within ten days after the date of the first publication thereof to the Grantor at the address given herein, to such person or persons appearing to have acquired a subsequent record interest in said property at the address give in the recorded instrument, and to any other person or persons as may be provided by law. It shall and may then be lawful for the Public Trustee to sell said property for the highest and best price the same will bring in cash and to dispose of the same (en masse or in separate parcels, as the said Public Trustee may think best), together with all right, title and interest of the Grantor, his heirs or assigns therein, at public auction at any place as may be specified by statute and designated in the notice of sale. The Public Trustee shall make and give to the purchaser or purchasers of such property at such sale a certificate or certificates in writing describing such property purchased, and the sum or sums paid therefor, and the time when the purchaser or purchasers (or other person entitled thereto) shall be entitled to a deed or deeds therefor, unless the same shall be redeemed as is provided by law. The Public Trustee shall, upon demand by the person or persons holding the said certificate or certificates of purchase, when said demand is made, or upon demand by the person entitled to a deed to and for the property purchased at the time such a demand is made, the time for redemption having expired, make and execute to such person or persons a deed or deeds to the said property purchased. Said deed or deeds shall be in the ordinary form of a conveyance, and shall be signed, acknowledged and delivered by the said Public Trustee and shall confirm the foreclosure sale and sell and convey to such person or persons entitled to such deed, the said property purchased as aforesaid and all the right, title, interest, benefit and equity of redemption of the Grantor, his heirs and assigns therein. The Public Trustee shall, out of the proceeds or avails of such sale, after first paying and retaining all fees, charges and costs of making said sale, pay to the beneficiary hereunder of the legal holder of said Note the principal and interest due on said note according to the tenor and effect thereof, and all moneys advanced by such beneficiary or legal holder of said Note for insurance, taxes and assessments, with interest thereon at zero per cent annum, rendering the overplus, if any, unto the grantor, his legal representatives or assigns. Said sale or sales and said Deed or Deeds so made shall be a perpetual bar, both in law and equity, against the grantor, his heirs and assigns, and all other persons claiming the said property, or any part thereof, by, from, through or under the Grantor, or any of them. The holder or holders of said Note or Notes may purchase said property or any part thereof; and it shall not be obligatory upon the purchaser or purchasers at any such sale to see to the application of the purchase money. If a release deed be required, it is agreed the Grantor, his heirs or assigns, will pay the expense thereof.

And the Grantor, for himself and his heirs, personal representatives or assigns covenants and agrees to and with the Public Trustee, that at the time of the ensembling of and delivery of these presents he is well seized of the said land and tenements in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid; hereby fully and absolutely waiving and releasing all rights and claims he may have in or to said lands, tenements, and property as a Homestead Exemption, or other exemption, under and by virtue of any act of the General Assembly of the State of Colorado, or as any exemption under and by virtue of any act of the United States Congress, now existing or which may hereafter be passed in relation thereto and that the same are free and clear of all liens and encumbrances whatever, except such as are of record at the office of the Larimer County, Colorado, Clerk and Recorder. See Exhibit A attached hereto and incorporated herein.

The Grantor shall and will Warrant and Forever Defend the above bargained property in the quiet and peaceable possession of the Public Trustee, against all and every person or persons lawfully claiming or to claim the whole or any part thereof.

Until payment in full of the indebtedness, the Grantor shall timely pay all taxes and assessments levied on the property; any and all amounts due on account of principal and interest or other sums on any senior encumbrances, if any; and will keep all improvements on said lands in good repair insured against any casualty loss, including extended coverage, by a company or companies meeting the net worth requirements of the beneficiary hereof in an amount not less than the then total indebtedness, including senior encumbrances. Each policy shall contain a loss payable clause naming the beneficiary as mortgagee and shall further provide that the insurance may not be canceled upon less than ten days written notice to the beneficiary. At the option of the beneficiary, the original policy or policies of insurance shall be delivered to the beneficiary as further security for the indebtedness. Should the Grantor fail to insure and deliver the policies or to pay taxes or assessments as the same fall due, or to keep the property in good repair, or to pay any amounts payable upon senior encumbrances, if any, the beneficiary may make such repairs or any such payments or procure any such insurance without being required to do so, and all monies so paid with interest thereon at the rate of

-8- % per annum shall be added to and become a part of the indebtedness secured by the Deed of Trust and may be paid out of the proceeds of the sale of the property, if not paid by the Grantor. In addition, and at its option, the beneficiary may declare the indebtedness secured hereby and this Deed of Trust to be in default for failure to procure insurance or make any payments or repairs required by this paragraph.

If all or any part of the property or an interest therein is sold or transferred by the grantor, excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant all the sums secured by this Deed of Trust shall be immediately due and payable.

AND THAT IN CASE OF ANY DEFAULT, Whereby the right of foreclosure occurs hereunder, the Public Trustee or the holder of said Note or certificate of purchase, shall at once become entitled to the possession, use and enjoyment of the property aforesaid, and to the rents, issues and profits thereof, from the accruing of such right and during the pendency of foreclosure proceedings and the period of redemption, if any there be: and such possession shall at once be delivered to the Public Trustee or the holder of said Note or certificate of purchase on request, and on refusal, the delivery of such possession may be enforced by the Public Trustee or the holder of said Note or certificate of purchase by any appropriate civil suit or proceeding, and the Public Trustee, or the holder of said Note or certificate of purchase, or any thereof, shall be entitled to a Receiver for said property, and of the rents, issues and profits thereof, after such default, including the time covered by foreclosure proceedings and the period of redemption, if any there be, and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of the grantor or of the then owner of said property and without regard to the value thereof, and such Receiver may be appointed by any court of competent jurisdiction upon ex parte application and without notice – notice being hereby expressly waived – and all rents, issues and profits, income and revenue therefrom shall be applied by such Receiver to the payment of the indebtedness hereby secured, according to the law and the orders and directions of the court.

AND, that in case of default in any of said payments of principal or interest, according to the tenor and effect of said Promissory Note aforesaid, or any of them, or any part thereof, or of a breach or violation of any of the covenants or agreements herein, by the grantor, his personal representatives or assigns, then and in that case the whole of said principal sum hereby secured, and the interest thereon to the time of the sale, may at once, at the option of the legal holder thereof, become due and payable, and the said property be sold in the manner and with the same effect as if said indebtedness had matured, and that if foreclosure be made by the Public Trustee, an attorney's fee of TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$250.00) for services in the supervision of said foreclosure proceedings shall be allowed by the Public Trustee as a part of the cost of foreclosure, and if foreclosure be made through the courts a reasonable attorney's fee shall be taxed by the court as a part of the cost of such foreclosure proceedings.

It is further expressly understood and agreed that all the covenants and agreements herein contained shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the respective parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders.

Executed this 30th day of November, 2012.

DISABLED RESOURCE SERVICES, INC.

David A. King
Chair, Board of Directors

ATTEST:

Nancy R. Jackson
Executive Director

The foregoing instrument was acknowledged before me this 30 day of November, 2012, by David A. King, chair, board of Directors and Nancy R. Jackson, Executive Director for Disabled Resource Services, Inc.

Witness my hand and seal.
My commission expires: 2/23/2013

Krista M. Manss
Notary Public

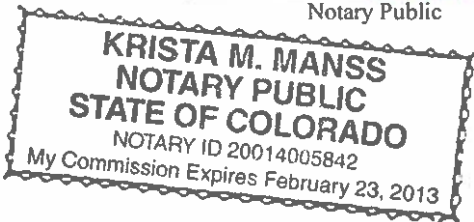


Exhibit A

PARCEL A:

CONDOMINIUM UNIT B, THE 1017 ROBERTSON CONDOMINIUMS, ACCORDING TO THE CONDOMINIUM MAP FOR THE 1017 ROBERTSON CONDOMINIUMS RECORDED DECEMBER 4, 2012 AT RECEPTION NO. 20120086505 AND SUBJECT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE 1017 ROBERTSON CONDOMINIUMS RECORDED DECEMBER 4, 2012 AT RECEPTION NO. 20120086597 IN THE OFFICES OF THE COUNTY CLERK AND RECORDER, LARIMER COUNTY, COLORADO.

PARCEL B:

A 7.205% INTEREST IN THE FOLLOWING DESCRIBED PROPERTIES:

PARCEL I

LOT 6, LEMAY MEDICAL PARK, CITY OF FORT COLLINS, COUNTY OF LARIMER, STATE OF COLORADO

PARCEL II

A TRACT OF LAND SITUATE IN THE SE 1/4 OF SECTION 13, TOWNSHIP 7 NORTH, RANGE 69 WEST OF THE 6TH P.M., CITY OF FORT COLLINS, COUNTY OF LARIMER, STATE OF COLORADO, WHICH, CONSIDERING THE EAST LINE OF SAID SE 1/4 AS BEARING S 00° 18' 30" W AND WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO, IS CONTAINED WITHIN THE BOUNDARY LINES WHICH BEGIN AT A POINT WHICH BEARS N 89° 38' W, 320.00 FEET AND AGAIN S 00° 22' W, 300.00 FEET, AND AGAIN N 89° 38' W, 409.86 FEET, AND AGAIN S 00° 22' W, 166.73 FEET FROM THE NE CORNER OF THE SE 1/4 OF SAID SECTION 13; RUN THENCE S 69° 57' 30" E, 95.01 FEET; THENCE S 15° 18' 45" W, 110.38 FEET; THENCE N 69° 57' 30" W, 80.00 FEET; THENCE N 07° 40' 45" E, 112.61 FEET TO THE POINT OF BEGINNING.

Promissory Note


RE: 1017 Robertson, Unit B, Fort Collins, CO

Fort Collins, Colorado

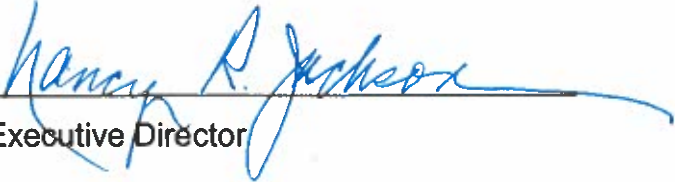
November 30, 2012

FOR VALUE RECEIVED, the undersigned Maker promises to pay to the order of THE CITY OF FORT COLLINS, COLORADO, a municipal corporation, at 300 LaPorte Avenue, THREE HUNDRED EIGHTY FIVE THOUSAND DOLLARS (\$385,000) from federal Community Development Block Grant (CDBG) funds with interest at the rate of -0- percent per annum from date, until due. Said principal, and five percent (5%) simple interest on the principal (\$19,250), FOR A TOTAL AMOUNT OWING of Four Hundred Four Thousand Two Hundred and Fifty Dollars (\$404,250), shall be due and payable at once, upon the occurrence of the first of the following events: (1) Sale or transfer of any interest in the property, except in the event of foreclosure or as is otherwise allowed pursuant to the Deed of Trust which secures this Promissory Note; or (2) maker fails to use the real property, which, by Deed of Trust of even date herewith is securing this Promissory Note, as a CDBG-eligible public facility owned and operated by Maker, providing a direct service benefit to a client population consisting of at least fifty-one percent (51%) low and moderate income persons (defined as below 80% AMI); or (3) equity is removed from the property; or (4) ninety years from the date of this Promissory Note. Makers waive demand protest and notice of dishonor and all defenses on the grounds of any extension of the time of its payment that may be given by the Holder.

MAKER: DISABLED RESOURCE SERVICES, INC.

By: 
President, Board of Directors
chairperson

ATTEST:


Executive Director