

BOARD OF
BUILDING AND SAFETY
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CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

DEPARTMENT OF
BUILDING AND SAFETY
201 NORTH FIGUEROA STREET
LOS ANGELES, CA 90012

FRANK BUSH
GENERAL MANAGER

October 13, 2017

Council District: # 6

Honorable Council of the
City of Los Angeles
Room 395, City Hall

JOB ADDRESS: **8601 NORTH SAN FERNANDO ROAD, LOS ANGELES, CA**
ASSESSORS PARCEL NO. (APN): **2632-008-001**
RE: INVOICE # 674597-6

On July 25, 2015 pursuant to the authority granted by Section 91.103 of the Los Angeles Municipal Code, the Department of Building and Safety (the "Department") investigated and identified code violations at: **8601 North San Fernando Road, Los Angeles, California**, (the "Property"). A copy of the title report which includes a full legal description of the property is attached as Exhibit A.


Following the Department's investigation an order or orders to comply were issued to the property owner and all interested parties. Pursuant to Section 98.0411(a) the order warned that "a proposed noncompliance fee may be imposed for failure to comply with the order within 15 days after the compliance date specified in the order or unless an appeal or slight modification is filed within 15 days after the compliance date." The owners failed to comply within the time prescribed by ordinance. The Department imposed non-compliance fee as follows:

<u>Description</u>	<u>Amount</u>
Non-Compliance Fee	\$ 660.00
Late Charge/Collection Fee (250%)	1,650.00
Accumulated Interest (1%/month)	447.60
Title Report Fee	42.00
Grand Total	\$ 2,799.60

Pursuant to the authority granted by Section 7.35.3 of the Los Angeles Administrative Code, it is proposed a lien for a total sum of **\$2,799.60** recorded against the property. It is requested that the Honorable City Council of the City of Los Angeles (the "City Council") designate the time and place protest can be heard concerning this matter, as set forth in Sections 7.35.3 and 7.35.5 of the Los Angeles Administrative Code.

It is further requested that the City Council instruct the Department to deposit to Dept 08, Fund 48R, Balance Sheet Account 2200, any payment received against this lien in the amount of **\$2,799.60** on the referenced property. A copy of the title report which includes a full legal description of the property is attached as Exhibit A. A list of all the names and addresses of owners and all interested parties entitled to notice is included (Exhibit B). Also attached is a report which includes the current fair market value of the property including all encumbrances of record on the property as of the date of the report (Exhibit C).

DEPARTMENT OF BUILDING AND SAFETY


Steve Ongele
Chief, Resource Management Bureau

Lien confirmed by
City Council on:

ATTEST: HOLLY WOLCOTT, CITY CLERK

BY: _____
DEPUTY



P.O. BOX 5152
CULVER CITY, CA 90231
Phone 310-943-9235 latitle@in2-res.com

Property Title Report

Work Order No. T14741
Dated as of: 10/03/2017

Prepared for: City of Los Angeles

SCHEDULE A

(Reported Property Information)

APN #: 2632-008-001

Property Address: 8601 N SAN FERNANDO ROAD ✓ **City:** Los Angeles **County:** Los Angeles

VESTING INFORMATION

Type of Document: GRANT DEED

Grantee : MZH PROPERTIES LLC

Grantor : ASUR CAPITAL LLC

Deed Date : 08/15/2013

Recorded : 02/19/2014

Instr No. : 14-0172173

MAILING ADDRESS: MZH PROPERTIES LLC
2509 N ONTARIO ST BURBANK CA 91504

SCHEDULE B

LEGAL DESCRIPTION

Lot: 8,9 **Tract No:** 6338 **Abbreviated Description:** LOT:8,9 CITY:REGION/CLUSTER: 24/24830

TR#: 6338 **TRACT #** 6338 **LOTS** 8 AND LOT 9 **IMP1=**COM,3032SF,YB:1991,1STY;

IMP2=COM,660SF,YB:1948,1STY. **City/Muni/Twp:** REGION/CLUSTER: 24/24830

MORTGAGES/LIENS

Type of Document: DEED OF TRUST

Recording Date: 02/19/2014

Document #: 14-0172174

Loan Amount: \$580,000

Lender Name: WELLS FARGO BANK NA

Borrowers Name: MZH PROPERTIES LLC

MAILING ADDRESS: WELLS FARGO BANK NA
121 S. MARKET ST. 7TH FL SAN JOSE, CA 95113

This page is part of your document - DO NOT DISCARD



20140172173



Pages:
0002

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

02/19/14 AT 08:00AM

FEES:	22.00
TAXES:	6,440.00
OTHER:	0.00
PAID:	6,462.00



LEADSHEET



201402190110023

00008877436



006043885

SEQ:
09

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

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RECORDING REQUESTED BY:
Stewart Title of California Inc

AND WHEN RECORDED MAIL TO:

MZH Properties LLC
2509 N Ontario Street
Burbank, CA 91504



THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 01180-62907

Escrow No.: 002903-ML

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$1,265.00 CITY TRANSFER TAX \$5,175.00

☒ 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 Los Angeles **AND**

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

ASUR Capital LLC, a California Limited Liability Company

hereby GRANT(s) to:

MZH Properties, LLC, a California Limited Liability Company

the real property in the City of Los Angeles, County of Los Angeles, State of California, described as:
Lot 8, 9 and 10 of Tract No. 6338, in the City of Los Angeles, County of Los Angeles, State of California, as per
Map recorded in Book 73, Pages 23 and 24 of Maps, in the Office of the County Recorder of said County.

Also Known as: 8601-8613 San Fernando Road, Los Angeles, CA 91352

AP#: 2632-008-001 & 2632-008-002

DATED August 15, 2013

STATE OF CALIFORNIA

COUNTY OF Los Angeles

On February 10, 2014

before me, Erik Priedkalns

A Notary Public in and for said State personally appeared

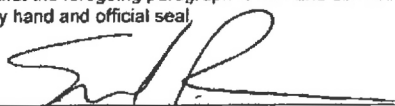
Affan Uygan and Abit Uygan

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



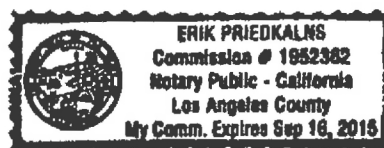
(Seal)

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE:

ASUR Capital LLC, a California Limited Liability Company

By: Affan Uygan
Affan Uygan, Managing Member

By: Abit Uygan
Abit Uygan, Managing Member



This page is part of your document - DO NOT DISCARD



20140172174



Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

02/19/14 AT 08:00AM

Pages:
0015

FEES:	100.00
TAXES:	0.00
OTHER:	0.00
PAID:	100.00



LEADSHEET



201402190110023

00008877437



006043885

SEQ:
10

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

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Stewart Title

62907

RECORDATION REQUESTED BY:

Wells Fargo Bank, National Association
SBA Lending
121 S. Market Street, 7th Floor
San Jose, CA 95113-2209



WHEN RECORDED MAIL TO:

Wells Fargo Bank, National Association
SBA - BBG Loan Ops - Recorded Docs
P.O. Box 659713
San Antonio, TX 78265-9827

FOR RECORDER'S USE ONLY



200177644499600235

DEED OF TRUST

THIS DEED OF TRUST is dated February 7, 2014, among MZH PROPERTIES, LLC, a California Limited Liability Company whose address is 8601-8613 San Fernando Road, Los Angeles CA 91352 ("Trustor"); Wells Fargo Bank, National Association, whose address is SBA Lending, 121 S. Market Street, 7th Floor, San Jose, CA 95113-2209 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and American Securities Company, a corporation, whose address is c/o BBSG-San Antonio Loan Ops LDI, PO Box 65119, San Antonio, TX 78265 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Trustor irrevocably grants, transfers and assigns to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, all of Trustor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Los Angeles County, State of California:

Lots 8, 9 and 10 of Tract No. 6338, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 73, Pages 23 and 24 of Maps, in the office of the County Recorder of said County.

The Real Property or its address is commonly known as 8601-8613 San Fernando Road, Los Angeles, CA 91352. The Assessor's Parcel Number for the Real Property is 2632-008-001 and 2632-008-002.

Trustor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Trustor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. This is an absolute assignment of Rents made in connection with an obligation secured by real property pursuant to California Civil Code Section 2938. In addition, Trustor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF THE TRUSTOR UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Trustor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Trustor's obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Trustor agrees that Trustor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Trustor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Trustor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Trustor represents and warrants to Lender that: (1) During the period of Trustor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Trustor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any

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**DEED OF TRUST
(Continued)**

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Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Trustor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Trustor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Trustor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Trustor or to any other person. The representations and warranties contained herein are based on Trustor's due diligence in investigating the Property for Hazardous Substances. Trustor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Trustor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Trustor's ownership or interest in the Property, whether or not the same was or should have been known to Trustor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Trustor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Trustor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Trustor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Trustor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Trustor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Trustor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Trustor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Trustor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Trustor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Trustor agrees neither to abandon or leave unattended the Property. Trustor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Trustor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Trustor. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Trustor shall pay when due (and in all events at least ten (10) days prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Trustor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Trustor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Trustor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Trustor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Trustor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Trustor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Trustor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Trustor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on

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**DEED OF TRUST
(Continued)**

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account of the work, services, or materials. Trustor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Trustor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Trustor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Trustor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Trustor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Notwithstanding the foregoing, in no event shall Trustor be required to provide hazard insurance in excess of the replacement value of the improvements on the Real Property. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Trustor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Trustor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Trustor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Trustor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Trustor fails to do so within fifteen (15) days of the casualty. If in Lender's sole judgment Lender's security interest in the Property has been impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If the proceeds are to be applied to restoration and repair, Trustor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Trustor from the proceeds for the reasonable cost of repair or restoration if Trustor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Trustor as Trustor's interests may appear.

Trustor's Report on Insurance. Upon request of Lender, however not more than once a year, Trustor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Trustor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Trustor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Trustor's failure to discharge or pay when due any amounts Trustor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Trustor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Trustor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Trustor warrants that: (a) Trustor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Trustor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Trustor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Trustor's title or the interest of Trustee or Lender under this Deed of Trust, Trustor shall defend the action at Trustor's expense. Trustor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Trustor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Trustor warrants that the Property and Trustor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Trustor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Trustor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to eminent domain and inverse condemnation proceedings are a part of this Deed of

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**DEED OF TRUST
(Continued)**

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Trust:

Proceedings. If any eminent domain or inverse condemnation proceeding is commenced affecting the Property, Trustor shall promptly notify Lender in writing, and Trustor shall promptly take such steps as may be necessary to pursue or defend the action and obtain the award. Trustor may be the nominal party in any such proceeding, but Lender shall be entitled, at its election, to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Trustor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If any award is made or settlement entered into in any condemnation proceedings affecting all or any part of the Property or by any proceeding or purchase in lieu of condemnation, Lender may at its election, and to the extent permitted by law, require that all or any portion of the award or settlement be applied to the Indebtedness and to the repayment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation proceedings.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Trustor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Trustor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Trustor which Trustor is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Trustor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Trustor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Trustor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. Trustor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Trustor shall not remove, sever or detach the Personal Property from the Property. Upon default, Trustor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Trustor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Trustor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust.

Further Assurances. At any time, and from time to time, upon request of Lender, Trustor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refilled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Trustor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Trustor. Unless prohibited by law or Lender agrees to the contrary in writing, Trustor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Trustor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Trustor and at Trustor's expense. For such purposes, Trustor hereby irrevocably appoints Lender as Trustor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

PARTIAL RELEASES. Lender shall execute partial releases of the lien of this Deed of Trust upon the following conditions: Wells Fargo does not allow partial releases without prior credit approval.

FULL PERFORMANCE. If Trustor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Trustor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Trustor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Lender may charge Trustor a reasonable reconveyance fee at the time of reconveyance.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Trustor fails to make any payment when due under the Indebtedness.

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Other Defaults. Trustor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Trustor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Trustor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Trustor or on Trustor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Trustor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Trustor's existence as a going business or the death of any member, the insolvency of Trustor, the appointment of a receiver for any part of Trustor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Trustor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Trustor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Trustor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Trustor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Trustor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Trustor under the terms of any other agreement between Trustor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Trustor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Trustor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Trustor under this Deed of Trust, after Trustor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Foreclosure by Sale. Upon an Event of Default under this Deed of Trust, Beneficiary may declare the entire Indebtedness secured by this Deed of Trust immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note, other documents requested by Trustee, and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recordation of the notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in the notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement in accordance with applicable law. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary may purchase at such sale. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

Judicial Foreclosure. With respect to all or any part of the Real Property, Lender shall have the right in lieu of foreclosure by power of sale to foreclose by judicial foreclosure in accordance with and to the full extent provided by California law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code, including without limitation the right to recover any deficiency in the manner and to the full extent provided by California law.

Collect Rents. Lender shall have the right, without notice to Trustor to take possession of and manage the Property and collect the

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Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Trustor irrevocably designates Lender as Trustor's attorney-in-fact to endorse instruments received in payment thereof in the name of Trustor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Trustor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Trustor, Trustor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Trustor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Trustor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Trustor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Trustor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Trustor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Los Angeles County, State of California. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Trustor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

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

NOTICES. Any notice required to be given under this Deed of Trust shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier,

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or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. Trustor requests that copies of any notices of default and sale be directed to Trustor's address shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Trustor agrees to keep Lender informed at all times of Trustor's current address. Unless otherwise provided or required by law, if there is more than one Trustor, any notice given by Lender to any Trustor is deemed to be notice given to all Trustors.

STATEMENT OF OBLIGATION FEE. Lender may collect a fee, not to exceed the maximum amount permitted by law, for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

CONSENT TO SELL LOAN. The parties hereto agree: (a) Lender may sell or transfer all or part of this loan to one or more purchasers, whether related or unrelated to Lender, without notice and without the consent of the parties; (b) Lender may provide to any purchaser, or potential purchaser, any information or knowledge Lender may have about the parties or about any other matter relating to this loan obligation, without notice, and the parties waive any rights to privacy it may have with respect to such matters; (c) the purchaser of a loan will be considered its absolute owner and will have all the rights granted under the loan documents or agreements governing the sale of the loan; (d) the purchaser of a loan may enforce its interests irrespective of any claims or defenses that the parties may have against Lender; and (e) to waive all notices of sale of the loan, as well as all notices of any repurchase, and all rights of offset or counterclaim that the parties have now or later against Lender or against any purchaser of the loan.

FACSIMILE AND COUNTERPART. This document may be signed in any number of separate copies, each of which shall be effective as an original, but all of which taken together shall constitute a single document. An electronic transmission or other facsimile of this document or any related document shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

COMMUNITY AND OTHER PROPERTY. In addition to the rights of Lender under any applicable community property laws, Borrower, Guarantor or Grantor who is a Married Person and who has an interest in marital or community property under applicable law acknowledges and agrees that his/her obligation as a Borrower, Guarantor or Grantor is incurred in the interest of and to benefit the marital community (or domestic partnership, if applicable), and expressly agrees that recourse may be had against his or her separate property and his or her rights in community property and community assets for all of his or her obligations to Lender, in addition to any other property that may be subject to rights of Lender. Borrower and Guarantor also agree not to, without Lender's prior written consent, enter into any community property agreement which alters the separate or community property character of any of such party's property. For the purpose of this provision, "Married Person" means a person in a spousal relationship and shall include parties to a duly registered and/or legally recognized same-sex civil union, domestic partnership, and other terms, whether or not gender-specific in a spousal relationship, that denote spousal relationship, as those terms are used throughout the laws, codes and regulations of states and/or jurisdictions that recognize legally married same-sex couples, civil unions and/or domestic partnerships, and any references herein to a married person or marital status shall be deemed to also include the applicable corresponding term, or other reference relating to a party to a civil union or domestic partnership. To the extent this provision may conflict with another provision of this Guaranty that other provision shall control.

EXECUTION OF DOCUMENTS, CONSULTATION WITH COUNSEL. Each party hereto acknowledges and agrees that he/she/it has had an opportunity to review and consider the terms and provisions of this agreement and each related loan document, to consult with counsel of his/her/its choice, if desired, and to suggest changes to the structure and terms of the agreements. Each party hereto warrants and agrees that his/her/its execution of this agreement and any related loan documents is made voluntarily and with full knowledge of the significance and effect of such agreements.

DEFINITION OF INDEBTEDNESS. The definition of "Indebtedness" herein includes, without limitation, all liability of Borrower or other party having its obligations to Lender secured by this Deed of Trust, whether liquidated or unliquidated, defined, contingent, conditional or of any other nature whatsoever, and performance of all other obligations, arising under any swap, derivative, foreign exchange or hedge transaction or arrangement (or other similar transaction or arrangement howsoever described or defined) at any time entered into with Lender in connection with the Note.

ENCUMBRANCES. Grantor/Mortgagor/Trustor shall not, without Lender's consent, mortgage, assign, grant a lien upon or security interest in, or otherwise encumber the Property or any interest in the Property, or allow such a lien or security interest to exist or arise, whether voluntarily, involuntarily or by operation of law, except for liens and security interests in favor of Lender, or property taxes attributable to the Property which are not past due.

APPRAISALS, FEES AND EXPENSES. Grantor/Trustor agrees that Lender may obtain appraisals and reappraisals and perform property evaluations and appraisal reviews of the Real Property when required by the regulations of the Federal Reserve Board or the Office of the Comptroller of the Currency, or any other regulatory agency, or at such other times as Lender may reasonably require. Appraisals shall be performed by an independent third party appraiser selected by Lender; property evaluations and appraisal reviews may be performed by third party appraisers or appraisers and staff of Lender. The fees, expenses and other cost of such appraisals, reappraisals, property evaluations and appraisal reviews shall be paid by Grantor/Trustor. In addition, Grantor/Trustor shall be responsible for payment of all fees and expenses of Lender and third parties relating to inspecting the Real Property, environmental review, title policies and endorsements (or title searches, abstracts of title or legal opinions of title where applicable), and monitoring the payment of property taxes, and any governmental taxes, fees and recording costs relating to this deed.

LEASES AND RENTS. Grantor/Trustor/Mortgagor presently assigns to Lender all of Grantor/Trustor/Mortgagor's right, title and interest in and to all present and future leases of the Property and all rents from the Property. This Assignment of Rents is given to secure (A) Payment of the Indebtedness and (B) Performance of any and all obligations under the Note and Mortgage/Deed of Trust. Grantor/Trustor/Mortgagor's present assignment to Lender hereunder is of all present and future leases includes all leases, licenses, rental agreements and other agreements of any kind relating to the use or occupancy of any of the Property, together with all guarantees of and security for any tenant's performance, and all extensions, renewals and modifications thereto (as used in this paragraph, each, a "Lease" and collectively, the "Leases"), together with any and all Rents from the Property. This assignment shall not impose upon Lender any duty to produce Rents, nor cause Lender to be a "mortgagee in possession," or responsible for performing any of the obligations of the lessor under any Lease. Lender confers upon Grantor/Trustor/Mortgagor a license to collect and retain the Rents as they come due, until the

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occurrence of any Event of Default, at which time the license shall be automatically revoked, and Lender, or its designated agent may, at its option and without notice, make, cancel, enforce or modify any Lease or Rents, collect Rents and do any acts which Lender deems proper to protect the security hereof or exercise any other right or remedy hereunder. Grantor/Trustor/Mortgagor represents and warrants that there exists no material default under present Leases and that those Leases are in full force and effect. Lender, at its option and without notice, may notify any tenant of this assignment of the Leases and Rents. Grantor/Trustor/Mortgagor agrees, at its expense, (i) to comply with and enforce all the terms and conditions under each Lease, and defend in any action in connection with any Lease; (ii) not to modify any Lease in any material respect, nor accept surrender under or terminate the term of any Lease, nor waive or release any tenant under any Lease; (iii) not to anticipate the Rents under any Lease; and (iv) to give prompt notice to Lender of any default by any tenant under any Lease, and of any notice of default on the part of Grantor/Trustor/Mortgagor under any Lease received from a tenant. Should Grantor/Trustor/Mortgagor fail to do any act required to be done by Grantor/Trustor/Mortgagor hereunder, then Lender, at its option and without notice, may make or do the same in such manner and to such extent as Lender deems necessary to protect the security hereof. Grantor/Trustor/Mortgagor agrees to pay to Lender immediately upon demand all sums expended under the authority hereof, including reasonable attorneys' fees, together with interest thereon at the highest rate per annum payable under any indebtedness, and the same, at Lender's option, may be added to the indebtedness and secured hereby.

CONDO/PUD (DEED OF TRUST) . The following provisions apply if the Real Property has been submitted to unit ownership law or similar law for the establishment of condominiums or cooperative ownership of the Real Property:

A. Power of Attorney. Trustor/Grantor grants an irrevocable power of attorney to Lender to vote in Lender's discretion on any matter that may come before the association of unit owners. Lender shall have the right to exercise this power of attorney only after Trustor's/Grantor's default; however, Lender may decline to exercise this power as Lender sees fit.

B. Insurance. The insurance as required herein may be carried by the association of unit owners on Trustor's/Grantor's behalf, and the proceeds of such insurance may be paid to the association of unit owners for the purpose of repairing or reconstructing the Property. If not so used by the association, such proceeds shall be paid to Lender.

C. Default. Trustor's/Grantor's failure to perform any of the obligations imposed on Trustor/Grantor by the declaration submitting the Real Property to unit ownership, by the bylaws of the association of unit owners, or by any rules or regulations thereunder, shall be an event of default under this Deed of Trust. If Trustor's/Grantor's interest in the Real Property is a leasehold interest and such property has been submitted to unit ownership, any failure by Trustor/Grantor to perform any of the obligations imposed on Trustor/Grantor by the lease of the Real Property from its owner, any default under such lease which might result in termination of the lease as it pertains to the Real Property, or any failure of Trustor/Grantor as a member of an association of unit owners to take any reasonable action within Trustor's/Grantor's power to prevent a default under such lease by the association of unit owners or by any member of the association shall be an Event of Default under this Deed of Trust.

FAILURE TO PROVIDE INSURANCE. Grantor/Trustor/Mortgagor ("Owner") acknowledges and agrees that if Owner fails to provide any required insurance on the terms set forth herein or in any Related Documents, or fails to continue such insurance in force in compliance with the requirements of this agreement or any Related Documents, Lender may purchase insurance at Owner's expense as provided therein. Such insurance may protect Lender's interests, and may otherwise protect none of, or less than all of, Owner's interests. The cost of any such insurance shall become a part of the indebtedness and shall be payable on demand or added to the Note as provided herein, at Lender's option. **OWNER ACKNOWLEDGES THAT IF LENDER SO PURCHASES ANY SUCH INSURANCE, THE INSURANCE MAY PROVIDE LIMITED PROTECTION AGAINST PHYSICAL DAMAGE TO THE COLLATERAL, UP TO THE BALANCE OF THE LOAN; HOWEVER, OWNER'S EQUITY IN THE COLLATERAL MAY NOT BE INSURED. IN ADDITION, THE INSURANCE MAY NOT PROVIDE ANY PUBLIC LIABILITY OR PROPERTY DAMAGE INDEMNIFICATION AND MAY NOT MEET THE REQUIREMENTS OF ANY FINANCIAL RESPONSIBILITY LAWS.**

LENDER TO BE NAMED LOSS PAYEE. All required policies and certificates of insurance shall name Mortgagee/Beneficiary as loss payee, and shall provide that the insurance cannot be terminated as to Mortgagee/Beneficiary except upon a minimum of ten (10) days' prior written notice to Mortgagee/Beneficiary. Immediately upon any request by Lender/Mortgagee/Beneficiary, Grantor/Trustor/Mortgagor shall deliver to Lender/Mortgagee/Beneficiary the original of all such policies or certificates, with receipts evidencing annual prepayment of the premiums.

ARBITRATION AGREEMENT. Arbitration - Binding Arbitration. Lender and each party to this agreement hereby agree, upon demand by any party, to submit any Dispute to binding arbitration in accordance with the terms of this Arbitration Program. Arbitration may be demanded before the institution of a judicial proceeding, or during a judicial proceeding, but not more than 60 days after service of a complaint, third party complaint, cross-claim, or any answer thereto, or any amendment to any of such pleadings. A "Dispute" shall include any dispute, claim or controversy of any kind, whether in contract or in tort, legal or equitable, now existing or hereafter arising, relating in any way to any aspect of this agreement, or any related note, instrument or agreement incorporating this Arbitration Program (the "Documents"), or any renewal, extension, modification or refinancing of any indebtedness or obligation relating thereto, including without limitation, their negotiation, execution, collateralization, administration, repayment, modification, extension, substitution, formation, inducement, enforcement, default or termination, or any request for additional credit. This provision is a material inducement for the parties entering into the transactions relating to this Agreement. In the event of a court ordered arbitration, the party requesting arbitration shall be responsible for timely filing the demand for arbitration and paying the appropriate filing fee within 30 days of the abatement order or the time specified by the court; the party's failure to do so shall result in that party's right to demand arbitration being automatically terminated with respect to such Dispute. **DISPUTES SUBMITTED TO ARBITRATION ARE NOT RESOLVED IN COURT BY A JUDGE OR JURY. TO THE EXTENT ALLOWED BY APPLICABLE LAW, THE PARTIES IRREVOCABLY AND VOLUNTARILY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARBITRATED PURSUANT TO THIS ARBITRATION PROGRAM.**

A. Governing Rules. Any arbitration proceeding will (i) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (ii) be conducted by the American Arbitration Association ("AAA"), or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures, unless the claim or counterclaim is at least \$1,000,000.00 exclusive of claimed interest, arbitration fees and costs, in which case the arbitration shall be conducted in accordance with the AAA's optional procedures for large, complex commercial disputes (the commercial dispute resolution procedures or the optional procedures for large, complex commercial

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disputes are referred to herein, as applicable, as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Arbitration proceedings hereunder shall be conducted at a location mutually agreeable to the parties, or if they cannot agree, then at a location selected by the AAA in the state of the applicable substantive law primarily governing the Note. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any Dispute. The arbitrator shall award all costs and expenses of the arbitration proceeding.

B. No Waiver of Provisional Remedies, Self-Help and Foreclosure. The arbitration requirement does not limit the right of any party to (i) foreclose against real or personal property collateral; (ii) exercise self-help remedies relating to collateral or proceeds of collateral such as setoff or repossession; or (iii) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment or the appointment of a receiver, before during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of any party to submit any Dispute to arbitration or reference hereunder, including those arising from the exercise of the actions detailed in sections (i), (ii) and (iii) of this paragraph.

C. Arbitrator Qualifications and Powers. Any arbitration proceeding in which the amount in controversy is \$5,000,000.00 or less will be decided by a single arbitrator selected according to the Rules, and who shall not render an award of greater than \$5,000,000.00. Any Dispute in which the amount in controversy exceeds \$5,000,000.00 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations. Every arbitrator shall be a neutral practicing attorney or a retired member of the state or federal judiciary, in either case with a minimum of ten years experience in the substantive law applicable to the subject matter of the Dispute. The arbitrator will determine whether or not an issue is arbitrable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all Disputes in accordance with the applicable substantive law and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the applicable state rules of civil procedure, or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

D. Discovery. In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the Dispute being arbitrated and must be completed no later than 20 days before the hearing date. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

E. Class Proceedings and Consolidations. No party hereto shall be entitled to join or consolidate disputes by or against others in any arbitration, except parties to this agreement, or any contract, instrument or document relating to this agreement, or to include in any arbitration any dispute as a representative or member of a class, or to act in any arbitration in the interest of the general public or in a private attorney general capacity.

F. Small Claims Court. Any party may require that a Dispute be resolved in Small Claims Court if the Dispute and related claims are fully within that court's jurisdiction.

G. State Specific Provisions:

If Delaware, Pennsylvania or Virginia law governs the Dispute, the following provision is applicable if there is a Confession of Judgment in the Note, any Guaranty, or Related Documents: **Confession of Judgment.** Notwithstanding anything herein to the contrary, the arbitration requirement does not limit or preclude the right of Lender to confess judgment pursuant to a warrant of attorney provision set forth in the Note, any Guaranty, or Related Documents. No party shall have the right to demand binding arbitration of any claim, dispute or controversy seeking to (i) strike-off or open a judgment obtained by confession pursuant to a warrant of attorney contained in the Note, any Guaranty, or Related Documents, or (ii) challenge the waiver of a right to prior notice and a hearing before judgment is entered, or after judgment is entered, but before execution upon the judgment. Any claims, disputes or controversies challenging the confession of judgment shall be commenced and prosecuted in accordance with the procedures set forth, and in the forum specified by the applicable state rules of civil procedure or other applicable law.

If Maryland law governs the Dispute, the following provision is applicable if there is a Confession of Judgment in the Note, any Guaranty, or Related Documents: **Confession of Judgment.** Notwithstanding anything herein to the contrary, the arbitration requirement does not limit or preclude the right of Lender to confess judgment, and no party shall have the right to demand binding arbitration of any claim, dispute or controversy seeking to open a judgment obtained by confession. Nothing herein, including the arbitration requirement, shall limit the right of any party to foreclose judicially or non-judicially against any real or personal property collateral, or exercise judicial or non-judicial power of sale rights. No provision regarding submission to a jurisdiction and/or venue in any court or the waiver of any right to trial by jury is intended or shall be construed to be in derogation of the provisions for arbitration of any dispute. Any claim or counterclaim or defense raised in connection with Lender's exercise of any rights set forth in the Note, any Guaranty, or Related Documents shall be subject to the arbitration requirement.

If South Carolina law governs the Dispute, the following provision is included: **WAIVER OF JURY TRIAL.** NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO ARBITRATE ANY DISPUTE AS SET FORTH IN THIS MORTGAGE, TO THE EXTENT ANY DISPUTE IS NOT SUBMITTED TO ARBITRATION OR IS DEEMED BY THE ARBITRATOR OR BY ANY COURT WITH JURISDICTION TO BE NOT ARBITRABLE OR NOT REQUIRED TO BE ARBITRATED, LENDER AND MORTGAGOR WAIVE TRIAL BY JURY IN RESPECT OF ANY SUCH DISPUTE AND ANY ACTION ON SUCH DISPUTE. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY LENDER AND MORTGAGOR, AND THEY HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES

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**DEED OF TRUST
(Continued)**

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ENTERING INTO THE LOAN DOCUMENTS. LENDER AND MORTGAGOR ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. MORTGAGOR FURTHER REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

H. Real Property Collateral:

If California law governs the Dispute, the following provisions are included: Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of California, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable. If any such Dispute is not submitted to arbitration, the Dispute shall be referred to a referee in accordance with California Code of Civil Procedure Section 638 et seq., and this general reference agreement is intended to be specifically enforceable in accordance with said Section 638, as amended or replaced, from time to time. A referee with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a referee shall be entered in the court in which such proceeding was commenced in accordance with California Code of Civil Procedure Sections 644 and 645, as amended or replaced from time to time.

If Connecticut law governs the Dispute, the following provision is included: Real Property Collateral. Notwithstanding anything herein to the contrary, no dispute shall be submitted to arbitration if the dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property located in Connecticut unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of Sections 49-1 and 49-14 et seq. of the Connecticut General Statutes, as amended or replaced from time to time, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Idaho, Kansas, Montana, Nevada, South Dakota or Virginia law governs the Dispute, the following provision is included: Real Property Collateral. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Idaho, Kansas, Montana, Nevada, South Dakota or Virginia, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Utah law governs the Dispute, the following provision is included: Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Utah, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable. If any such Dispute is not submitted to arbitration, the Dispute shall be referred to a master in accordance with Utah Rule of Civil Procedure 53, as amended or replaced, from time to time, and this general reference agreement is intended to be specifically enforceable. A master with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a master shall be entered in the court in which such proceeding was commenced in accordance with Utah Rule of Civil Procedure 53(e), as amended or replaced from time to time.

I. Miscellaneous. To the maximum extent practicable, the AAA, the arbitrators and the parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the Dispute with the AAA. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a Dispute, the arbitration provision most directly related to the documents between the parties or the subject matter of the Dispute shall control. This arbitration provision shall survive the repayment of the Note and the termination, amendment or expiration of any of the Documents or any relationship between the parties.

SBA ARBITRATION. The parties specifically agree that the provisions of this Arbitration Program are not applicable to any dispute between any party and the U.S. Small Business Administration (the "SBA"), including but not limited to, any dispute with the SBA after purchase of the loan by the SBA.

ARBITRATION CALIFORNIA STATE SPECIFIC. If California law governs the Dispute, the following provision is included: A Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration. If any such Dispute is not submitted to arbitration, the Dispute shall, at the election of any party, be referred to a referee in accordance with California Code of Civil Procedure Section 638 et seq., and this general reference agreement is intended to be specifically enforceable in accordance with said Section 638. A referee with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a referee shall be entered in the court in which such proceeding was commenced in accordance with California Code of Civil Procedure Sections 644 and 645.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

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**DEED OF TRUST
(Continued)**

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Annual Reports. If the Property is used for purposes other than Trustor's residence, Trustor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Trustor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of California.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Trustor, shall constitute a waiver of any of Lender's rights or of any of Trustor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Trustor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Trustor, Lender, without notice to Trustor, may deal with Trustor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Trustor from the obligations of this Deed of Trust or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means Wells Fargo Bank, National Association, and its successors and assigns.

Borrower. The word "Borrower" means MZH PROPERTIES, LLC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Trustor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., Chapters 6.5 through 7.7 of Division 20 of the California Health and Safety Code, Section 25100, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

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**DEED OF TRUST
(Continued)**

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Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Trustor's obligations or expenses incurred by Trustee or Lender to enforce Trustor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means Wells Fargo Bank, National Association, its successors and assigns.

Note. The word "Note" means the promissory note dated February 7, 2014, in the original principal amount of **\$580,000.00** from Trustor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Trustor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness; except that the words do not mean any guaranty or environmental agreement, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future leases, rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property together with the cash proceeds of the Rents.

Trustee. The word "Trustee" means American Securities Company, a corporation, whose address is c/o BBSG-San Antonio Loan Ops LDI, PO Box 65119, San Antonio, TX 78265 and any substitute or successor trustees.

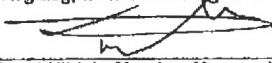
Trustor. The word "Trustor" means MZH PROPERTIES, LLC.

TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND TRUSTOR AGREES TO ITS TERMS.

TRUSTOR:

MZH PROPERTIES, LLC

By: 
Adnan A. Reguieg, Member-Managed of MZH PROPERTIES, LLC.

By: 
Hamid Mehvari Nikjeh, Member-Managed of MZH PROPERTIES, LLC.

By: 
Zunair Y. Shawwa, Member-Managed of MZH PROPERTIES, LLC.

DEED OF TRUST
(Continued)

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CERTIFICATE OF ACKNOWLEDGMENT

STATE OF California

COUNTY OF Los Angeles

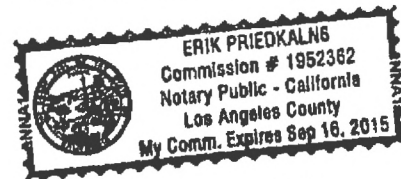
On February 12, 20 14 before me, Erik Friedkalns, Notary Public
(here insert name and title of the officer)

personally appeared Adnan A. Reguleg, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF California

COUNTY OF Los Angeles

On February 12, 20 14 before me, Erik Friedkalns, Notary Public
(here insert name and title of the officer)

personally appeared Hamid Mehvari Nikjah, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



DEED OF TRUST
(Continued)

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CERTIFICATE OF ACKNOWLEDGMENT

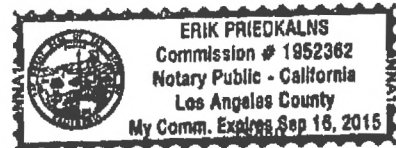
STATE OF California)
COUNTY OF Los Angeles) SS
On February 12 20 14 before me, Erik Friedkalns, Notary Public
(here insert name and title of the officer)

personally appeared Zuhair Y. Shawwa, who 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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(DO NOT RECORD)
REQUEST FOR FULL RECONVEYANCE
(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____

Beneficiary: _____

By: _____

Its: _____

EXHIBIT B

ASSIGNED INSPECTOR: **TIM CHRISTENSEN** **Date: OCTOBER 13,, 2017**
JOB ADDRESS: **8601 NORTH SAN FERNANDO ROAD, LOS ANGELES, CA**
ASSESSORS PARCEL NO. (APN): **2632-008-001**

Last Full Title: **10/3/2017**

Last Update to Title:

.....

LIST OF OWNERS AND INTERESTED PARTIES

- 1). MZH PROPERTIES LLC
 2509 NORTH ONTARIO STREET
 BURBANK, CA. 91504

CAPACITY: OWNER

- 2). WELLS FARGO BANK NA
 121 SOUTH MARKET ST. 7TH FL
 SAN JOSE, CA 95113

CAPACITY: INTERESTED PARTY

Property Detail Report

For Property Located At :

8601 SAN FERNANDO RD, SUN VALLEY, CA 91352-3104

CoreLogic

RealQuest Professional

Owner Information

Bldg Card: 000 of 002

Owner Name: MZH PROPERTIES LLC
 Mailing Address: 2509 N ONTARIO ST, BURBANK CA 91504-2513 C002
 Vesting Codes: //

Location Information

Legal Description: TRACT # 6338 LOTS 8 AND LOT 9
 County: LOS ANGELES, CA
 Census Tract / Block: 1219.00 / 3
 Township-Range-Sect: 73-23
 Legal Book/Page: 9
 Legal Lot: 9
 Legal Block: SUNV
 Market Area:
 Neighbor Code:
 APN: 2632-008-001
 Alternate APN:
 Subdivision: 6338
 Map Reference: 16-D1 /
 Tract #: 6338
 School District: LOS ANGELES
 School District Name:
 Munic/Township:

Owner Transfer Information

Recording/Sale Date: /
 Sale Price:
 Document #: Deed Type:
 1st Mtg Document #:

Last Market Sale Information

Recording/Sale Date: 02/19/2014 / 08/15/2013
 Sale Price: \$1,150,000
 Sale Type: FULL
 Document #: 172173
 Deed Type: GRANT DEED
 Transfer Document #:
 New Construction:
 Title Company:
 Lender:
 Seller Name:
 1st Mtg Amount/Type: \$580,000 / SMALL BUSINESS
 1st Mtg Int. Rate/Type: /
 1st Mtg Document #: 172174
 2nd Mtg Amount/Type: \$461,000 / SMALL BUSINESS
 2nd Mtg Int. Rate/Type: / ADJ
 Price Per SqFt: \$311.48
 Multi/Split Sale: MULTIPLE
 STEWART TITLE
 WELLS FARGO BK NA
 ASUR CAPITAL LLC

Prior Sale Information

Prior Rec/Sale Date: 08/21/1998 / 07/25/1998
 Prior Sale Price: \$500,000
 Prior Doc Number: 1494464
 Prior Deed Type: GRANT DEED
 Prior Lender: LENDER SELLER
 Prior 1st Mtg Amt/Type: \$477,500 / CONV
 Prior 1st Mtg Rate/Type: / FIX

Property Characteristics

Year Built / Eff: 1948 /
 Gross Area: 3,692
 Building Area: 3,692
 Tot Adj Area:
 Above Grade:
 # of Stories:
 Other Improvements:
 Total Rooms/Offices
 Total Restrooms:
 Roof Type:
 Roof Material:
 Construction:
 Foundation:
 Exterior wall:
 Basement Area:
 Garage Area:
 Garage Capacity:
 Parking Spaces:
 Heat Type:
 Air Cond:
 Pool:
 Quality:
 Condition:

Site Information

Zoning: LAM1
 Lot Area: 12,919
 Land Use: AUTO REPAIR
 Site Influence:
 Acres: 0.30
 Lot Width/Depth: x
 Commercial Units:
 Sewer Type:
 County Use: AUTO SVC SHOP (2600)
 State Use:
 Water Type:
 Building Class:

Tax Information

Total Value: \$934,775
 Land Value: \$406,653
 Improvement Value: \$528,122
 Total Taxable Value: \$934,775
 Assessed Year: 2017
 Improved %: 56%
 Tax Year: 2016
 Property Tax: \$11,357.53
 Tax Area: 13
 Tax Exemption:

Comparable Summary

For Property Located At



CoreLogic

RealQuest Professional

8601 SAN FERNANDO RD, SUN VALLEY, CA 91352-3104**20 Comparable(s) found.** (Click on the address to view more property information)[View Report](#)[Configure Display Fields](#)[Modify Comparable Search Criteria](#)**Summary Statistics For Selected Properties: 20**

	Subject Property	Low	High	Average
Sale Price	\$1,150,000	\$620,000	\$13,490,909	\$2,251,845
Bldg/Living Area	3,692	3,200	4,189	3,696
Price/Sqft	\$311.48	\$155.00	\$3,220.56	\$593.59
Year Built	1948	1910	1995	1957
Lot Area	12,919	4,003	26,005	10,348
Bedrooms	0	5	5	5
Bathrooms/Restrooms	0	2	2	2
Stories	0.00	1.00	1.00	1.00
Total Value	\$934,775	\$27,413	\$1,863,998	\$729,513
Distance From Subject	0.00	3.91	20.52	13.54

*= user supplied for search only

<input checked="" type="checkbox"/>	#	F Address	Sale Price	Yr Blt	Bed	Baths/Restrooms(Full)	Last Recording	Bld/Liv	Lot Area	Dist
Subject Property										
		8601 SAN FERNANDO RD	\$1,150,000	1948			02/19/2014	3,692	12,919	0.0
Comparables										
<input checked="" type="checkbox"/>	1	3200 W BURBANK BLVD	\$1,300,000	1956			08/09/2017	3,670	6,704	3.91
<input checked="" type="checkbox"/>	2	7381 FOOTHILL BLVD	\$1,800,000	1956			07/18/2017	3,472	18,203	5.25
<input checked="" type="checkbox"/>	3	5938 SAN FERNANDO RD	\$1,350,000	1961			08/31/2017	3,200	5,039	7.25
<input checked="" type="checkbox"/>	4	8803 BAIRD AVE	\$915,000	1966			08/18/2017	3,300	7,287	9.08
<input checked="" type="checkbox"/>	5	5206 HOLLYWOOD BLVD	\$1,470,000	1950			03/14/2017	3,775	9,623	9.58
<input checked="" type="checkbox"/>	6	440 FOOTHILL BLVD	\$2,255,000	1986			01/27/2017	3,584	9,795	11.07
<input checked="" type="checkbox"/>	7	1212 S LA BREA AVE	\$800,000	1935			05/31/2017	3,660	6,297	12.08
<input checked="" type="checkbox"/>	8	1100 W TEMPLE ST	\$13,490,909	1948			04/28/2017	4,189	15,763	13.35
<input checked="" type="checkbox"/>	9	1537 W 8TH ST	\$1,100,000	1995	5	2	07/12/2017	3,377	6,426	13.44
<input checked="" type="checkbox"/>	10	2020 S WESTERN AVE	\$3,800,000	1967			05/10/2017	3,858	23,931	13.55
<input checked="" type="checkbox"/>	11	24872 APPLE ST	\$3,350,000	1969			04/28/2017	3,250	22,978	14.12
<input checked="" type="checkbox"/>	12	40 W GREEN ST	\$2,000,000	1922			02/13/2017	4,000	6,441	14.16
<input checked="" type="checkbox"/>	13	12822 W WASHINGTON BLVD	\$1,500,000	1961			07/03/2017	3,700	5,002	16.24
<input checked="" type="checkbox"/>	14	208 LINCOLN BLVD	\$1,850,000	1974			02/28/2017	3,787	4,003	16.27
<input checked="" type="checkbox"/>	15	5809 S MAIN ST	\$1,555,000	1910			09/22/2017	3,851	4,927	17.36
<input checked="" type="checkbox"/>	16	7120 8TH AVE	\$620,000	1930			05/23/2017	4,000	5,999	17.54
<input checked="" type="checkbox"/>	17	318 N LA BREA AVE	\$2,750,000	1969			03/09/2017	3,949	26,005	17.86
<input checked="" type="checkbox"/>	18	2755 E SLAUSON AVE	\$872,000	1952			04/14/2017	3,750	6,042	18.62

<input checked="" type="checkbox"/>	19	828 E MANCHESTER AVE	\$1,370,000	1949	05/24/2017	3,378	5,825	19.56
<input checked="" type="checkbox"/>	20	3137 W IMPERIAL HWY	\$889,000	1989	08/21/2017	4,161	10,666	20.52

Comparable Sales Report

For Property Located At



CoreLogic®

RealQuest Professional

8601 SAN FERNANDO RD, SUN VALLEY, CA 91352-3104**20 Comparable(s) Selected.**

Report Date: 10/12/2017

Summary Statistics:

	Subject	Low	High	Average
Sale Price	\$1,150,000	\$620,000	\$13,490,909	\$2,251,845
Bldg/Living Area	3,692	3,200	4,189	3,696
Price/Sqft	\$311.48	\$155.00	\$3,220.56	\$593.59
Year Built	1948	1910	1995	1957
Lot Area	12,919	4,003	26,005	10,348
Bedrooms	0	5	5	5
Bathrooms/Restrooms	0	2	2	2
Stories	0.00	1.00	1.00	1.00
Total Value	\$934,775	\$27,413	\$1,863,998	\$729,513
Distance From Subject	0.00	3.91	20.52	13.54

*= user supplied for search only

Comp #:	1			Distance From Subject: 3.91 (miles)	
Address:	3200 W BURBANK BLVD, BURBANK, CA 91505-2201				
Owner Name:	BAZINYAN HOVHANNES				
Seller Name:	THUNDERBIRD VALLEY LTD				
APN:	2477-003-008	Map Reference:	17-A6 /	Building Area:	3,670
County:	LOS ANGELES, CA	Census Tract:	3113.00	Total Rooms/Offices:	
Subdivision:	9762	Zoning:	BUC3*	Total Restrooms:	
Rec Date:	08/09/2017	Prior Rec Date:	01/03/2013	Yr Built/Eff:	1956 / 1965
Sale Date:	08/02/2017	Prior Sale Date:	12/21/2012	Air Cond:	NONE
Sale Price:	\$1,300,000	Prior Sale Price:	\$700,000	Pool:	
Sale Type:	FULL	Prior Sale Type:	FULL	Roof Mat:	CONCRETE
Document #:	896027	Acres:	0.15		
1st Mtg Amt:		Lot Area:	6,704		
Total Value:	\$742,726	# of Stories:	1.00		
Land Use:	AUTO REPAIR	Park Area/Cap#:	/		

Comp #: 2

Address: 7381 FOOTHILL BLVD, TUJUNGA, CA 91042-2700

Owner Name: TATEVOSIAN ALEN/BAGHDASSARIAN VIGEN

Seller Name: MILLER JOYCE A TRUST 2005

APN: 2568-009-026

County: LOS ANGELES, CA

Subdivision: LOS TERRENITOS TR

Rec Date: 07/18/2017

Sale Date: 04/06/2017

Sale Price: \$1,800,000

Sale Type: FULL

Document #: 803487

1st Mtg Amt:

Total Value: \$590,557

Land Use: AUTO REPAIR

Map Reference: 10-F4 /

Census Tract: 1012.10

Zoning: LAMR1

Prior Rec Date: 07/24/1990

Prior Sale Date: 03/1990

Prior Sale Price: \$380,000

Prior Sale Type: FULL

Acres: 0.42

Lot Area: 18,203

of Stories:

Park Area/Cap#: /

Building Area: 3,472

Total Rooms/Offices:

Total Restrooms:

Yr Built/Eff: 1956 / 1956

Air Cond:

Pool:

Roof Mat:

Distance From Subject: 5.25 (miles)

Comp #: 3 Distance From Subject: 7.25 (miles)
 Address: **5938 SAN FERNANDO RD, GLENDALE, CA 91202-2741**
 Owner Name: **OGANESYAN GENRIK**
 Seller Name: **SWENDAH JAMAL & SATANE**
 APN: **5628-032-011** Map Reference: **25-A2 /** Building Area: **3,200**
 County: **LOS ANGELES, CA** Census Tract: **3017.01** Total Rooms/Offices:
 Subdivision: **11040** Zoning: **GLC3*** Total Restrooms:
 Rec Date: **08/31/2017** Prior Rec Date: **07/27/2007** Yr Built/Eff: **1961 / 1961**
 Sale Date: **08/18/2017** Prior Sale Date: **06/19/2007** Air Cond:
 Sale Price: **\$1,350,000** Prior Sale Price: **\$355,000** Pool:
 Sale Type: **FULL** Prior Sale Type: **FULL** Roof Mat: **WOOD SHAKE**
 Document #: **994498** Acres: **0.12**
 1st Mtg Amt: **\$1,100,000** Lot Area: **5,039**
 Total Value: **\$894,093** # of Stories: **1.00**
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: 4 Distance From Subject: 9.08 (miles)
 Address: **8803 BAIRD AVE, NORTHRIDGE, CA 91324-4008**
 Owner Name: **ANTEKELIAN AVEDIS & MARAL**
 Seller Name: **BUTLER ELIZABETH**
 APN: **2770-015-009** Map Reference: **7-C6 /** Building Area: **3,300**
 County: **LOS ANGELES, CA** Census Tract: **1152.02** Total Rooms/Offices:
 Subdivision: **ZELZAH** Zoning: **LAMR1** Total Restrooms:
 Rec Date: **08/18/2017** Prior Rec Date: **02/03/1986** Yr Built/Eff: **1966 / 1966**
 Sale Date: **07/12/2017** Prior Sale Date: Air Cond:
 Sale Price: **\$915,000** Prior Sale Price: Pool:
 Sale Type: **FULL** Prior Sale Type: Roof Mat:
 Document #: **940115** Acres: **0.17**
 1st Mtg Amt: **\$455,622** Lot Area: **7,287**
 Total Value: **\$115,502** # of Stories:
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: 5 Distance From Subject: 9.58 (miles)
 Address: **5206 HOLLYWOOD BLVD, LOS ANGELES, CA 90027-4909**
 Owner Name: **NAZARETIAN LEON**
 Seller Name: **SCOTT FAMILY TRUST**
 APN: **5544-016-042** Map Reference: **34-E3 /** Building Area: **3,775**
 County: **LOS ANGELES, CA** Census Tract: **1905.20** Total Rooms/Offices:
 Subdivision: **GLORIETTA** Zoning: **LAC2** Total Restrooms:
 Rec Date: **03/14/2017** Prior Rec Date: **01/02/1979** Yr Built/Eff: **1950 / 1950**
 Sale Date: **01/27/2017** Prior Sale Date: Air Cond:
 Sale Price: **\$1,470,000** Prior Sale Price: **\$109,000** Pool:
 Sale Type: **FULL** Prior Sale Type: **FULL** Roof Mat:
 Document #: **287724** Acres: **0.22**
 1st Mtg Amt: Lot Area: **9,623**
 Total Value: **\$204,574** # of Stories:
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: 6 Distance From Subject: 11.07 (miles)
 Address: **440 FOOTHILL BLVD, LA CANADA FLINTRIDGE, CA 91011-3503**
 Owner Name: **CLUB CHAMPION PRESENTS LLC**
 Seller Name: **440 FOOTHILL PARTNERS LLC**
 APN: **5820-009-014** Map Reference: **19-C4 /** Building Area: **3,584**
 County: **LOS ANGELES, CA** Census Tract: **4607.00** Total Rooms/Offices:
 Subdivision: **5676** Zoning: **LFC2-P*** Total Restrooms:
 Rec Date: **01/27/2017** Prior Rec Date: **08/12/2016** Yr Built/Eff: **1986 / 1986**
 Sale Date: **11/01/2016** Prior Sale Date: **08/01/2016** Air Cond:
 Sale Price: **\$2,255,000** Prior Sale Price: **\$1,850,000** Pool:
 Sale Type: **FULL** Prior Sale Type: **FULL** Roof Mat:
 Document #: **116958** Acres: **0.22**
 1st Mtg Amt: **\$1,173,600** Lot Area: **9,795**
 Total Value: **\$1,850,000** # of Stories:
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: 7 Distance From Subject: 12.08 (miles)
 Address: **1212 S LA BREA AVE, LOS ANGELES, CA 90019-1626**
 Owner Name: **FABBIO FAMILY TRUST**
 Seller Name: **MCCUNE WALTER TRUST**

APN:	5084-027-035	Map Reference:	43-B3 /	Building Area:	3,660
County:	LOS ANGELES, CA	Census Tract:	2172.00	Total Rooms/Offices:	
Subdivision:	5069	Zoning:	LAC2	Total Restrooms:	
Rec Date:	05/31/2017	Prior Rec Date:	03/16/1989	Yr Built/Eff:	1935 /
Sale Date:	05/23/2017	Prior Sale Date:	02/1989	Air Cond:	
Sale Price:	\$800,000	Prior Sale Price:		Pool:	
Sale Type:	FULL	Prior Sale Type:		Roof Mat:	ROLL COMPOSITION
Document #:	599510	Acres:	0.14		
1st Mtg Amt:		Lot Area:	6,297		
Total Value:	\$727,901	# of Stories:	1.00		
Land Use:	AUTO REPAIR	Park Area/Cap#:	/		

Comp #:	8	Distance From Subject:	13.35 (miles)
Address:	1100 W TEMPLE ST, LOS ANGELES, CA 90012-1516		
Owner Name:	1100 WEST TEMPLE INVESTORS LLC		
Seller Name:	MORET LIVING TRUST		
APN:	5160-025-001	Map Reference:	44-D2 /
County:	LOS ANGELES, CA	Census Tract:	2080.00
Subdivision:	PARK TR LOS ANGELES	Zoning:	LACW
Rec Date:	04/28/2017	Prior Rec Date:	
Sale Date:	04/20/2017	Prior Sale Date:	
Sale Price:	\$13,490,909	Prior Sale Price:	
Sale Type:	FULL	Prior Sale Type:	
Document #:	474417	Acres:	0.36
1st Mtg Amt:		Lot Area:	15,763
Total Value:	\$377,380	# of Stories:	
Land Use:	AUTO REPAIR	Park Area/Cap#:	/

Comp #:	9	Distance From Subject:	13.44 (miles)
Address:	1537 W 8TH ST, LOS ANGELES, CA 90017-4304		
Owner Name:	D & M INVESTMENTS LLC		
Seller Name:	KIMS FAMILY TRUST		
APN:	5142-023-006	Map Reference:	44-B3 /
County:	LOS ANGELES, CA	Census Tract:	2093.00
Subdivision:	FAIRMOUNT	Zoning:	LAC2
Rec Date:	07/12/2017	Prior Rec Date:	06/29/2006
Sale Date:	07/10/2017	Prior Sale Date:	03/31/2006
Sale Price:	\$1,100,000	Prior Sale Price:	\$198,000
Sale Type:	FULL	Prior Sale Type:	FULL
Document #:	774938	Acres:	0.15
1st Mtg Amt:	\$800,000	Lot Area:	6,426
Total Value:	\$618,176	# of Stories:	
Land Use:	AUTO REPAIR	Park Area/Cap#:	/

Comp #:	10	Distance From Subject:	13.55 (miles)
Address:	2020 S WESTERN AVE, LOS ANGELES, CA 90018-1539		
Owner Name:	PAN WEST LLC		
Seller Name:	PICO PLACE LLC		
APN:	5074-034-031	Map Reference:	43-E4 /
County:	LOS ANGELES, CA	Census Tract:	2214.02
Subdivision:	WEST ADAMS HEIGHTS	Zoning:	LAC2
Rec Date:	05/10/2017	Prior Rec Date:	03/30/2015
Sale Date:	04/24/2017	Prior Sale Date:	03/11/2015
Sale Price:	\$3,800,000	Prior Sale Price:	\$1,800,000
Sale Type:	FULL	Prior Sale Type:	FULL
Document #:	521696	Acres:	0.55
1st Mtg Amt:	\$2,850,000	Lot Area:	23,931
Total Value:	\$1,863,998	# of Stories:	
Land Use:	AUTO REPAIR	Park Area/Cap#:	/

Comp #:	11	Distance From Subject:	14.12 (miles)
Address:	24872 APPLE ST, SANTA CLARITA, CA 91321-2619		
Owner Name:	L & S CA PROPERTIES LLC		
Seller Name:	APPLE STREET PROPERTIES LLC		
APN:	2830-006-048	Map Reference:	/
County:	LOS ANGELES, CA	Census Tract:	9203.12
Subdivision:	PARCEL MAP 271	Zoning:	SCCP
Rec Date:	04/28/2017	Prior Rec Date:	
		Building Area:	3,250
		Total Rooms/Offices:	
		Total Restrooms:	
		Yr Built/Eff:	1969 / 1969

Sale Date:	04/10/2017	Prior Sale Date:		Air Cond:	
Sale Price:	\$3,350,000	Prior Sale Price:		Pool:	
Sale Type:	FULL	Prior Sale Type:		Roof Mat:	
Document #:	475498	Acres:	0.53		
1st Mtg Amt:	\$2,030,000	Lot Area:	22,978		
Total Value:	\$1,551,298	# of Stories:			
Land Use:	AUTO REPAIR	Park Area/Cap#:	/		

Comp #:	12	Distance From Subject:	14.16 (miles)
Address:	40 W GREEN ST, PASADENA, CA 91105-2008		
Owner Name:	LIAO ALLAN & JOYCE		
Seller Name:	M & T PLATING INC		
APN:	5713-020-016	Map Reference:	26-F4 /
County:	LOS ANGELES, CA	Census Tract:	4637.00
Subdivision:	MULLINS	Zoning:	PSC-
Rec Date:	02/13/2017	Prior Rec Date:	07/25/1980
Sale Date:	02/07/2017	Prior Sale Date:	
Sale Price:	\$2,000,000	Prior Sale Price:	\$70,000
Sale Type:	FULL	Prior Sale Type:	FULL
Document #:	177179	Acres:	0.15
1st Mtg Amt:		Lot Area:	6,441
Total Value:	\$172,548	# of Stories:	
Land Use:	AUTO REPAIR	Park Area/Cap#:	/
Building Area:	4,000	Total Rooms/Offices:	
Total Restrooms:		Yr Built/Eff:	1922 / 1922
Air Cond:		Pool:	
Roof Mat:			

Comp #:	13	Distance From Subject:	16.24 (miles)
Address:	12822 W WASHINGTON BLVD, CULVER CITY, CA 90066-5120		
Owner Name:	SANTA MONICA PIER STREET LLC		
Seller Name:	K & H TRUST		
APN:	4230-023-027	Map Reference:	49-E3 /
County:	LOS ANGELES, CA	Census Tract:	7028.03
Subdivision:	7147	Zoning:	CCC3YY
Rec Date:	07/03/2017	Prior Rec Date:	02/15/2000
Sale Date:	06/27/2017	Prior Sale Date:	01/28/2000
Sale Price:	\$1,500,000	Prior Sale Price:	\$350,000
Sale Type:	FULL	Prior Sale Type:	FULL
Document #:	740714	Acres:	0.11
1st Mtg Amt:	\$1,000,000	Lot Area:	5,002
Total Value:	\$1,581,000	# of Stories:	1.00
Land Use:	AUTO REPAIR	Park Area/Cap#:	/
Building Area:	3,700	Total Rooms/Offices:	
Total Restrooms:		Yr Built/Eff:	1961 / 1961
Air Cond:	NONE	Pool:	
Roof Mat:	ROLL COMPOSITION		

Comp #:	14	Distance From Subject:	16.27 (miles)
Address:	208 LINCOLN BLVD, VENICE, CA 90291-2810		
Owner Name:	SWEDISH CAR REPAIR LLC		
Seller Name:	NADARZYNSKI FRANK J		
APN:	4243-014-026	Map Reference:	49-C2 /
County:	LOS ANGELES, CA	Census Tract:	2731.00
Subdivision:	5109	Zoning:	LAC2
Rec Date:	02/28/2017	Prior Rec Date:	
Sale Date:	01/04/2017	Prior Sale Date:	
Sale Price:	\$1,850,000	Prior Sale Price:	
Sale Type:	FULL	Prior Sale Type:	
Document #:	235070	Acres:	0.09
1st Mtg Amt:	\$1,032,856	Lot Area:	4,003
Total Value:	\$656,449	# of Stories:	
Land Use:	AUTO REPAIR	Park Area/Cap#:	/
Building Area:	3,787	Total Rooms/Offices:	
Total Restrooms:		Yr Built/Eff:	1974 /
Air Cond:		Pool:	
Roof Mat:			

Comp #:	15	Distance From Subject:	17.36 (miles)
Address:	5809 S MAIN ST, LOS ANGELES, CA 90003-1214		
Owner Name:	MAIN SLAUSON INC		
Seller Name:	HOLDER RICHARD E & M A TRUST		
APN:	5101-023-014	Map Reference:	52-B4 /
County:	LOS ANGELES, CA	Census Tract:	2328.00
Subdivision:	583	Zoning:	LAM1
Rec Date:	09/22/2017	Prior Rec Date:	
Sale Date:	04/19/2017	Prior Sale Date:	
Sale Price:	\$1,555,000	Prior Sale Price:	
Sale Type:	FULL	Prior Sale Type:	
Building Area:	3,851	Total Rooms/Offices:	
Total Restrooms:		Yr Built/Eff:	1910 / 1910
Air Cond:	NONE	Pool:	
Roof Mat:			

Document #: **1088105** Acres: **0.11**
 1st Mtg Amt: Lot Area: **4,927**
 Total Value: **\$27,413** # of Stories:
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: **16** Distance From Subject: **17.54 (miles)**
 Address: **7120 8TH AVE, LOS ANGELES, CA 90043-4764**
 Owner Name: **REYNOLDS BOBBY**
 Seller Name: **TERRA NOVA EQUITY LLC**
 APN: **4008-027-010** Map Reference: **51-C5 /** Building Area: **4,000**
 County: **LOS ANGELES, CA** Census Tract: **2352.01** Total Rooms/Offices:
 Subdivision: **5452** Zoning: **LAR1** Total Restrooms:
 Rec Date: **05/23/2017** Prior Rec Date: **08/15/2013** Yr Built/Eff: **1930 / 1930**
 Sale Date: **04/09/2017** Prior Sale Date: **08/12/2013** Air Cond:
 Sale Price: **\$620,000** Prior Sale Price: **\$250,000** Pool:
 Sale Type: **FULL** Prior Sale Type: **FULL** Roof Mat:
 Document #: **566136** Acres: **0.14**
 1st Mtg Amt: **\$434,000** Lot Area: **5,999**
 Total Value: **\$264,059** # of Stories:
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: **17** Distance From Subject: **17.86 (miles)**
 Address: **318 N LA BREA AVE, INGLEWOOD, CA 90302-3407**
 Owner Name: **CENTURY RETAIL GROUP INC**
 Seller Name: **HEKMAT SOHEIL & ROYA**
 APN: **4016-028-001** Map Reference: **57-A1 /** Building Area: **3,949**
 County: **LOS ANGELES, CA** Census Tract: **6009.02** Total Rooms/Offices:
 Subdivision: **INGLEWOOD PROP** Zoning: **INC3*** Total Restrooms:
 Rec Date: **03/09/2017** Prior Rec Date: **02/17/2015** Yr Built/Eff: **1969 /**
 Sale Date: **02/21/2017** Prior Sale Date: **01/29/2015** Air Cond: **NONE**
 Sale Price: **\$2,750,000** Prior Sale Price: **\$1,400,000** Pool:
 Sale Type: **FULL** Prior Sale Type: **FULL** Roof Mat: **ROLL COMPOSITION**
 Document #: **274705** Acres: **0.60**
 1st Mtg Amt: **\$2,650,000** Lot Area: **26,005**
 Total Value: **\$1,449,776** # of Stories: **1.00**
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: **18** Distance From Subject: **18.62 (miles)**
 Address: **2755 E SLAUSON AVE, HUNTINGTON PARK, CA 90255-3002**
 Owner Name: **9021 SOMERSET BELLFLOWER LLC**
 Seller Name: **ROSENBLIT FAMILY TRUST**
 APN: **6309-030-011** Map Reference: **52-F4 /** Building Area: **3,750**
 County: **LOS ANGELES, CA** Census Tract: **5325.00** Total Rooms/Offices:
 Subdivision: **6674** Zoning: **HPCG*** Total Restrooms:
 Rec Date: **04/14/2017** Prior Rec Date: **08/24/1977** Yr Built/Eff: **1952 / 1952**
 Sale Date: **04/11/2017** Prior Sale Date:
 Sale Price: **\$872,000** Prior Sale Price: **\$50,000** Air Cond:
 Sale Type: **FULL** Prior Sale Type: **FULL** Pool:
 Document #: **414663** Acres: **0.14** Roof Mat:
 1st Mtg Amt: Lot Area: **6,042**
 Total Value: **\$80,575** # of Stories:
 Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #: **19** Distance From Subject: **19.56 (miles)**
 Address: **828 E MANCHESTER AVE, LOS ANGELES, CA 90001-3635**
 Owner Name: **FIVE POINT REALTY LLC**
 Seller Name: **MANCHESTER INVESTMENTS LLC**
 APN: **6042-022-006** Map Reference: **58-C2 /** Building Area: **3,378**
 County: **LOS ANGELES, CA** Census Tract: **2400.10** Total Rooms/Offices:
 Subdivision: **6631** Zoning: **LACM** Total Restrooms:
 Rec Date: **05/24/2017** Prior Rec Date: **07/06/1998** Yr Built/Eff: **1949 / 1951**
 Sale Date: **05/04/2017** Prior Sale Date: **02/04/1998** Air Cond:
 Sale Price: **\$1,370,000** Prior Sale Price: **\$127,270** Pool:
 Sale Type: **FULL** Prior Sale Type: **FULL** Roof Mat:
 Document #: **574852** Acres: **0.13**
 1st Mtg Amt: **\$1,000,000** Lot Area: **5,825**
 Total Value: **\$162,082** # of Stories:

Land Use: **AUTO REPAIR** Park Area/Cap#: **/**

Comp #:	20	Distance From Subject: 20.52 (miles)	
Address:	3137 W IMPERIAL HWY, INGLEWOOD, CA 90303-2808		
Owner Name:	PICO PLACE LLC		
Seller Name:	RODRIGUEZ ALFREDO C		
APN:	4031-028-022	Map Reference:	57-C5 /
County:	LOS ANGELES, CA	Census Tract:	6020.04
Subdivision:	1615	Zoning:	INC2YY
Rec Date:	08/21/2017	Prior Rec Date:	12/08/2003
Sale Date:	07/07/2017	Prior Sale Date:	11/18/2003
Sale Price:	\$889,000	Prior Sale Price:	\$500,000
Sale Type:	FULL	Prior Sale Type:	FULL
Document #:	941798	Acres:	0.24
1st Mtg Amt:		Lot Area:	10,666
Total Value:	\$660,151	# of Stories:	
Land Use:	AUTO REPAIR	Park Area/Cap#:	/

EXHIBIT D

ASSIGNED INSPECTOR: **TIM CHRISTENSEN**

Date: **OCTOBER 13,, 2017**

JOB ADDRESS: **8601 NORTH SAN FERNANDO ROAD, LOS ANGELES, CA**

ASSESSORS PARCEL NO. (APN): **2632-008-001**

CASE#: **686026**

ORDER NO: **A-3795892**

EFFECTIVE DATE OF ORDER TO COMPLY: **August 12, 2016**

COMPLIANCE EXPECTED DATE: **August 27, 2016**

DATE COMPLIANCE OBTAINED: **No Compliance To Date**

.....

LIST OF IDENTIFIED CODE VIOLATIONS **(ORDER TO COMPLY)**

VIOLATIONS:

SEE ATTACHED ORDER # **A- 3795892**

1050112201725730

BOARD OF
BUILDING AND SAFETY
COMMISSIONERS

VAN AMBATTELOS
PRESIDENT

E. FELICIA BRANNON
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MAYOR

DEPARTMENT OF
BUILDING AND SAFETY
201 NORTH FIGUEROA STREET
LOS ANGELES, CA 90012

FRANK M. BUSH
GENERAL MANAGER

ORDER TO COMPLY AND NOTICE OF FEE

AGENT FOR SERVICE ZUHAIR SHAWWA
2684 LACY ST
LOS ANGELES, CA 90031

CASE #: 686026

ORDER #: A-3795892

EFFECTIVE DATE: August 12, 2016

COMPLIANCE DATE: August 27, 2016

The undersigned mailed this notice
by regular mail, postage prepaid,
to the addressee on this day.

AUG 05 2016

To the address as shown on the
last equalized assessment roll.
Initialed by NV

PROF OF

SITE ADDRESS: 8601 N SAN FERNANDO ROAD

ASSESSORS PARCEL NO.: 2632-008-001

ZONE: M1; Limited Industrial Zone

An inspection has revealed that the property (Site Address) listed above is in violation of the Los Angeles Municipal Code (L.A.M.C.) sections listed below. You are hereby ordered to correct the violation(s) and contact the inspector listed in the signature block at the end of this document for a compliance inspection by the compliance date listed above

FURTHER, THE CODE VIOLATION INSPECTION FEE (C.V.I.F) OF \$ 356.16 (\$336 fee plus a six percent Systems Development Surcharge of \$20.16) WILL BE BILLED TO THE PROPERTY OWNER. The invoice/notice will be sent to the owner as it appears on the last equalized assessment roll. Section 98.0421 L.A.M.C.

NOTE: FAILURE TO PAY THE C.V.I.F. WITHIN 30 DAYS OF THE INVOICE DATE OF THE BILL NOTED ABOVE WILL RESULT IN A LATE CHARGE OF TWO (2) TIMES THE C.V.I.F. PLUS A 50 PERCENT COLLECTION FEE FOR A TOTAL OF \$1,176.00.

Any person who fails to pay the fee, late charge and collection fee, shall also pay interest. Interest shall be calculated at the rate of one percent per month.

The inspection has revealed that the property is in violation of the Los Angeles Municipal Code as follows:

VIOLATION(S):

1. The occupancy or use has changed from office/storage to tow truck and auto storage without obtaining the required Certificate of Occupancy.

You are therefore ordered to: Discontinue the unapproved occupancy or use as tow truck storage yard or obtain a Certificate of Occupancy for the change of occupancy or use

Code Section(s) in Violation: 91.8203, 91.103.1, 12.21A.1.(a) of the L.A.M.C.

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.



CODE ENFORCEMENT BUREAU

For routine City business and non-emergency services: Call 3-1-1

www.ladbs.org

NON-COMPLIANCE FEE WARNING:

YOU ARE IN VIOLATION OF THE L.A.M.C. IT IS YOUR RESPONSIBILITY TO CORRECT THE VIOLATION(S) AND CONTACT THE INSPECTOR LISTED BELOW TO ARRANGE FOR A COMPLIANCE INSPECTION BEFORE THE NON-COMPLIANCE FEE IS IMPOSED. Failure to correct the violations and arrange for the compliance inspection within 15 days from the Compliance Date, will result in imposition of the fee noted below.

In addition to the C.V.I.F. noted above, a proposed noncompliance fee in the amount of \$660.00 may be imposed for failure to comply with the order within 15 days after the compliance date specified in the order or unless an appeal or request for slight modification is filed within 15 days of the compliance date.

If an appeal or request for slight modification is not filed within 15 days of the compliance date or extensions granted therefrom the determination of the department to impose and collect a non-compliance fee shall be final. Section 98.0411 L.A.M.C.

NOTE: FAILURE TO PAY THE NON -COMPLIANCE FEE WITHIN 30 DAYS AFTER THE DATE OF MAILING THE INVOICE, MAY RESULT IN A LATE CHARGE OF TWO (2) TIMES THE NON-COMPLIANCE FEE PLUS A 50 PERCENT COLLECTION FEE FOR A TOTAL OF **\$2,310.00.**

Any person who fails to pay the non-compliance fee, late charge and collection fee shall also pay interest. Interest shall be calculated at the rate of one percent per month.

PENALTY WARNING :

Any person who violates or causes or permits another person to violate any provision of the Los Angeles Municipal Code (L.A.M.C.) is guilty of a misdemeanor which is punishable by a fine of not more than \$1000.00 and/or six (6) months imprisonment for each violation, Section 11.00 (m) L.A.M.C.

INVESTIGATION FEE REQUIRED:

Whenever any work has been commenced without authorization by a permit or application for inspection and which violates provisions of Articles 1 through 8 of Chapter IX of the Los Angeles Municipal Code (L.A.M.C.) , and if no order has been issued by the department or a court of law requiring said work to proceed a special investigation fee which shall be double the amount charged for an application for inspection, license or permit fee, but not less than \$400.00 , shall be collected on each permit, license or application for inspection. Section 98.0402 (a) L.A.M.C.

APPEAL PROCEDURES:

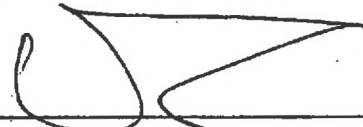
There is an appeal procedure established in this city whereby the Department of Building and Safety and the Board of Building and Safety Commissioners have the authority to hear and determine error or abuse of discretion or requests for slight modification of the requirements contained in this order when appropriate fees have been paid Section 98.0403.1 and 98.0403.2 L.A.M.C.

If you have any questions or require any additional information please feel free to contact me at (818)374-9847.

Office hours are 7:00 a.m. to 3:30 p.m. Monday through Thursday.

Inspector :

Date: June 16, 2015


RUSSELL SCHOONOVER
14410 SYLVAN STREET SUITE 105
VAN NUYS, CA 91401
(818)374-9847

Russell.Schoonover@lacity.org


REVIEWED BY

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