

NO FEE DOCUMENT

**Recording requested by and  
when recorded, mail to:**

County of Santa Barbara  
Housing and Community Development  
123 E. Anapamu Street, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101  
Attn: Assistant Director

NO FEE DOCUMENT PURSUANT TO  
CALIFORNIA GOVERNMENT CODE SECTION 27383

Assessor's Identification Number(s) 039-222-028, 039-222-029

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*(Space above this line for recording purposes only.)*

This conveyance is to secure a debt, R & T Code 11921.

**COUNTY COMMUNITY PROJECT FUNDS (CPF) LOAN DEED OF TRUST,  
ASSIGNMENT OF RENTS, AND SECURITY AGREEMENT**

THIS COUNTY CPF LOAN DEED OF TRUST, ASSIGNMENT OF RENTS, AND SECURITY AGREEMENT (“**County CPF Loan Deed of Trust**”) is made as of this 26th day of March, 2026, by Sanctuary Centers of Santa Barbara, Inc., a California nonprofit public benefit corporation, (“**Trustor**”), to Chicago Title Company as trustee (“**Trustee**”), for the benefit of the County of Santa Barbara, a political subdivision of the State of California (“**Beneficiary**”). This County CPF Loan Deed of Trust (including, without limitation, the rights and remedies set forth herein) is junior, subject and subordinate in its entirety to the Senior Loans (as defined and set forth on Exhibit B attached hereto and hereby incorporated herewith) and any loan documents executed by Trustor in connection therewith, including without limitation to any Deed of Trust, subordination, and/or or intercreditor agreement recorded, or to be recorded, in connection with the Senior Loans.

**GRANT IN TRUST**

1. **GRANT.** Trustor, in consideration of the indebtedness referred to below, hereby irrevocably grants and conveys to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, all of Trustor's interest in the property located at 115 and 117 West Anapamu Street, in the City of Santa Barbara, County of Santa Barbara, California (the “Property”), as more particularly described in the attached Exhibit A, incorporated herein by this reference;

TOGETHER WITH all interest, estates or other claims, both in law and in equity which Trustor now has or may hereafter acquire in the following: the Property; all buildings, structures, fixtures, improvements, signs, and landscaping now or hereafter erected or located on the Property, including all equipment and machinery used for supplying or distributing heating, cooling, electricity, gas, water, air,

and light, all kitchen and laundry appliances such as washers, dryers, refrigerators, garbage disposals, ovens, ranges, dishwashers, all plumbing and bathroom fixtures, all security and access control equipment, fire prevention and extinguishment equipment, elevators, floor coverings, window coverings, paneling, cabinets, (provided, however, that Trustor shall have the right to remove, if necessary, such fixtures, furnishings, and equipment for the purpose of replacement with similar items of the same quality performing the same functions, which replacements shall themselves become part of this grant); all building material and equipment either now or hereafter delivered to the Property and intended to be installed therein or any such material and equipment purchased in whole or in part with CPF Funds whether or not located on the Property; all reserves, accounts, deferred payments, and refunds relating to development on the Property; all Revenue, including rents and income generated by or derived from the Property or improvements thereon (subject however to the assignment of rents to Beneficiary contained herein); all leases, subleases, rental agreements and licenses covering the Property or any portion thereof now existing or hereafter entered into, and all interests of Trustor in security deposits, advance rentals, accounts, payments, and receivables of similar nature with respect to such leases, subleases, rental agreements and licenses; all easements and rights-of-way appurtenant to the Property, including parking and recreational easements, and all interests of Trustor in any land lying within the right-of-way of any streets, sidewalks, and areas of land adjacent to or used in connection with the Property; all development rights and credits, air rights, water rights, and oil, gas or mineral rights with respect to the Property; all claims or demands with respect to insurance proceeds, bonds, warranties, guarantees and sureties, and all awards made for a taking by eminent domain; all interests and rights in any private or government grants, subsidies, loans, or other financing with respect to development on the Property; all interests in personal property used in and about the Property (except furniture and other personal property of occupants of dwelling units on the Property); all intangible Property and rights relating to the Property or operations on the Property, including copyrights, patents, trade names, goodwill, trademarks, and service marks; all government permits, approvals, and map rights related to construction of the Property; all architectural, structural, and mechanical plans, specifications, designs, studies, and data with respect to construction or improvements on the Property; all environmental tests, studies and reports with respect to the Property; all current and future claims and rights of action of Trustor against prior owners and operators of the Property, neighboring property owners and operators, tenants and former tenants, consultants, advisors, and other third parties with respect to environmental or Hazardous Materials contamination and cleanup of the Property under any federal, state, or local ordinances, statutes, regulations, or administrative decisions or common law.

All of the foregoing, together with the Property, is herein referred to as the "Security;" provided, that, the "Security," "Rents" and any other description of collateral, shall not include any of the foregoing which Trustor is prohibited by applicable law from transferring, or on or in which Trustor is prohibited from granting a lien or security interest.

### **OBLIGATIONS SECURED**

2. **OBLIGATIONS.** Trustor makes this grant for the purpose of securing the following obligations of Trustor:

A. Repayment of the indebtedness of Trustor to Beneficiary in the principal sum of One Million Dollars (\$1,000,000), evidenced by the County CPF Loan Promissory Note executed by Trustor, in the amount of One Million Dollars (\$1,000,000) (the "**County CPF Loan Note**"), having a maturity date of August 31, 2032, on file at the offices of Beneficiary and hereby incorporated by reference into this County CPF Loan Deed of Trust, or as much of such amount as has been disbursed to Trustor thereunder; and

B. Payment of any sums advanced by Beneficiary to protect the Security and priority of this County CPF Loan Deed of Trust; and

C. Payment of any sums advanced by Beneficiary following a breach of Trustor's obligation for payment of said sums, such as Trustor's obligation to pay fees, assessments, taxes, charges, and levies imposed by any public authority or utility company and/or Trustor's obligation to pay any sums payable under the County CPF Loan Note and the expiration of any applicable cure period, with interest thereon as provided herein; and

D. Performance of every obligation, covenant or agreement of Trustor contained in this County CPF Loan Deed of Trust, the County CPF Loan Note, and the County CPF Loan Agreement executed between Trustor and Beneficiary, including all exhibits thereto, on file at the offices of Beneficiary and hereby incorporated into this County CPF Loan Deed of Trust by this reference ("**County CPF Loan Agreement**"); and

E. Performance of any other obligation or repayment of any other indebtedness of Trustor to Beneficiary, where such evidence of obligation or indebtedness specifically recites that it is secured by this County CPF Loan Deed of Trust; and

F. Performance of any obligations of Trustor in any other agreements with respect to financing of development of the Property or the Security, the failure to perform the absence of which would adversely affect Beneficiary, whether or not Beneficiary is a party to such agreements.

#### **ABSOLUTE ASSIGNMENT OF RENTS AND RIGHT TO POSSESSION**

3. **ASSIGNMENT.** As additional security, Trustor hereby assigns to Beneficiary: (a) all of the Revenue, leases, rents, issues, profits, and income from the Security, any deposits now or hereafter in Trustor's possession which have been collected with respect to the Security, and any reserve or capital funds now or hereafter held by Trustor with respect to construction or operation of the Security (collectively, the "**Rents**"); and (b) the right to enter, take possession of, and manage the Security; provided, however that Trustor shall have, before an Event of Default, the exclusive right to possess the Security and to collect Rents and use them in accordance with the County documents described in Section 2.D. above (collectively, the "**County CPF Loan Documents**"). The assignment in this Section 3 is made in connection with an obligation secured by real property, shall be recorded in the real property records of the county where the Property is located, and is intended to be an absolute and present transfer of Trustor's interest in existing and future Rents, effective as of the date of this County CPF Loan Deed of Trust. "**Revenue**" means operating income in connection with the Project, including, but not limited to, rents from the Units and income from laundry operations, vending machines, meeting space rental, storage, and parking. Excluded from the definition of Revenue are non-operating period funds received by Borrower from any capital contributions, disbursements of loan proceeds, and any insurance payments.

4. **ENFORCEMENT.** Upon the occurrence and continuation of an Event of Default which remains uncured after expiration of the applicable cure period, if any, pursuant to the terms of the County CPF Loan Agreement or other County CPF Loan Documents, Beneficiary may, in addition to other rights and remedies permitted by the County CPF Loan Agreement, this County CPF Loan Deed of Trust, or applicable law: (a) enter upon, take possession of, and manage the Security, either in person as a mortgagee-in-possession, by agent, or by a receiver appointed by a court, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Security, (b) collect all Rents, including those past due and unpaid, and apply the same to pay for the Project Related Costs, costs and expenses of operation of the Security, including reasonable attorneys' fees, and pay off any indebtedness secured by

this County CPF Loan Deed of Trust, all in such order as Beneficiary may determine, (c) enter upon and take possession of the Security, and/or (d) Beneficiary may make, cancel, enforce, and modify leases and rental agreements, obtain and evict tenants, set and modify rent terms, sue for rents due, enter into, modify, or terminate any contracts or agreements, or take any legal action, as it reasonably deems necessary with respect to the Rents or to development or operation of the Security, in each case, subject to applicable law and the rent restrictions imposed against the Property pursuant to the CPF Loan Documents.

5. **APPOINTMENT OF A RECEIVER.** In any action to enforce this assignment, Beneficiary may, during the continuation of an Event of Default beyond any applicable notice and cure period, to the extent permitted under applicable law, apply for the appointment of a receiver to take possession of the Security and take whatever measures are necessary to preserve and manage the Security for the benefit of Beneficiary and the public interest, and Trustor hereby consents to such appointment of a receiver. The receiver shall have, to the extent permitted by applicable law, all of the authority over the Security that Beneficiary would have if Beneficiary took possession of the Security under this assignment as a mortgagee-in-possession, including the right to collect and apply Rents and the right to complete construction of improvements.

6. **NO WAIVER OF POWER OF SALE.** The entering upon and taking possession of the Security and the collection of Rents shall not cure or waive any Event of Default or notice of default hereunder or under any of the County CPF Loan Documents or invalidate any act done by Beneficiary, Beneficiary's agents or a receiver in response to such Event of Default or notice of default and, notwithstanding the continuance in possession of the Security or the collection and application of Rents, Beneficiary shall be entitled to exercise every right provided for in this County CPF Loan Deed of Trust, in the County CPF Loan Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale.

#### **COMMERCIAL CODE SECURITY AGREEMENT**

7. **GRANT.** This County CPF Loan Deed of Trust is intended to be a security agreement and financing statement pursuant to the California Commercial Code for any of the items specified above as part of the Security which under applicable law may be subject to a security interest pursuant to the California Commercial Code (the "**Personal Property**"), and Trustor hereby grants Beneficiary a security interest in the Personal Property. Beneficiary may file a copy of this County CPF Loan Deed of Trust in the real estate records or other appropriate index as a financing statement for any of the items specified as part of the Personal Property. Trustor shall execute and deliver to Beneficiary at Beneficiary's request any financing statements, as well as extensions, renewals, and amendments thereof, and copies of this instrument in such form as Beneficiary may require to perfect a security interest with respect to the Personal Property. Trustor shall pay all costs of filing such financing statements and shall pay all reasonable costs of any record searches for financing statements and releases. Without the prior written consent of Beneficiary, Trustor shall not create or permit any other security interest in the Personal Property, other than Permitted Encumbrances. Some or all of the Security may be or become a fixture in which Beneficiary has a security interest under the security agreement set forth above, and the purpose of this section is to create a fixture filing under Division 9 of the California Commercial Code. This County CPF Loan Deed of Trust shall be recorded in the real property records and shall be effective from the date of its recording as a financing statement filed as a fixture filing with respect to all goods constituting part of the Security which are or are to become fixtures. The record owner of the Property is Trustor. The "Secured Party" is the Beneficiary and the "Debtor" is Trustor. Information concerning the security interest herein granted may be obtained from either party at the address of such party set forth herein. The mailing address of Trustor and the address of Beneficiary from which information concerning the security interests may be obtained are set forth in Section 34 hereof.

8. **REMEDIES.** Upon Trustor's breach of any obligation or agreement in the County CPF Loan Documents, after expiration of any applicable cure period, Beneficiary shall have the remedies of a secured party under the California Commercial Code and at Beneficiary's option may also invoke the remedies provided for elsewhere in this County CPF Loan Deed of Trust or County CPF Loan Documents. Beneficiary may proceed against the Security specified above separately or together and in any order whatsoever.

### **RIGHTS AND OBLIGATIONS OF TRUSTOR**

9. **PERFORMANCE OF SECURED OBLIGATION.** Trustor shall promptly perform each obligation secured by this County CPF Loan Deed of Trust in accordance with the County CPF Loan Documents.

10. **PAYMENT OF PRINCIPAL AND INTEREST.** Trustor shall promptly pay when due the principal and any interest due on the indebtedness evidenced by the County CPF Loan Note.

11. **MAINTENANCE OF THE SECURITY.** Trustor shall, at the Trustor's own expense, maintain and preserve the Security constituting real property (the "**Real Property**") or cause the Real Property to be maintained and preserved in good condition, in good repair, ordinary wear and tear excepted, and in a decent, safe, sanitary, habitable and tenable condition. Trustor shall not cause any violation of any laws, ordinances, or regulations as they pertain to improvements, alterations, maintenance or demolition on the Real Property. Trustor shall not commit intentional waste on or to the Real Property. Trustor shall not abandon the Real Property. Beneficiary shall have no responsibility over maintenance of the Security. In the event Trustor fails to maintain the Real Property in accordance with the provisions of this County CPF Loan Deed of Trust or any of the other County CPF Loan Documents, and after any applicable cure periods, Beneficiary may, but shall be under no obligation to, make such repairs or replacements as are necessary and provide for payment thereof. Any amount so advanced by Beneficiary, together with interest thereon from the date of such advance at the same rate of interest as specified in the County CPF Loan Note (unless payment of such an interest rate would be contrary to applicable law, in which event such sums shall bear interest at the highest rate then allowed by applicable law), shall become an additional obligation of Trustor to Beneficiary and shall be secured by this County CPF Loan Deed of Trust.

12. **INSPECTION OF THE SECURITY.** Trustor shall permit, subject to the rights of tenants, applicable law, and confidentiality or other requirements in connection with any supportive services provided at the Project, Beneficiary to enter and inspect the Security during normal business hours for compliance with these obligations upon at least 48 hours' advance notice of such visit by Beneficiary to Trustor or Trustor's management agent.

13. **LIENS, ENCUMBRANCES, AND CHARGES.** Trustor shall discharge any lien or encumbrance not approved by Beneficiary in writing that may attain priority over this County CPF Loan Deed of Trust, as provided for in the County CPF Loan Agreement, except any Permitted Encumbrances. "Permitted Encumbrances" means:

- A. the liens, encumbrances, assignments and security interests in favor of Lender pursuant hereto and to the Loan Documents;
- B. easements, restrictions, encumbrances and other matters described in and permitted to exist under the terms of the Loan Documents;
- C. the liens, encumbrances, assignments and security interests in favor of any lender in connection with a Senior Loan and the senior loan documents executed in connection therewith;
- D. taxes, assessments and governmental changes on the Project not yet delinquent;
- E. the items set forth on the Title Policy;
- F. customary easements and rights of way entered into by Borrower in connection with the development and operation of the Project (including, without limitation, for public and municipal utilities and services) which would not result in a material adverse effect on Borrower or the Project;
- G. rights of future tenants of any Assisted Unit made in accordance with the Loan Documents, as tenants only;
- H. liens in favor of warehousemen, carriers, mechanics and materialmen to secure claims for labor, materials or supplies and other similar liens incurred in the ordinary course of business with respect to charges not yet delinquent, being contested in good faith by appropriate proceedings, or which are subject to conditional lien waivers conditioned upon payments to be disbursed or released (including any retainage or completion payments) by Lender, any Senior Loan, or other source of funding set forth in the Capital Budget;
- I. zoning, planning and other similar limitations and restrictions and all rights of any governmental authority to regulate the Project that are not violated by the current use of the Project;
- J. equipment leases entered into by Borrower in the ordinary course of development and operation of the Project;
- K. purchase money security interests, including liens upon tangible personal property securing loans to Borrower or deferred payments by Borrower for the purchase of such tangible personal property; and such other matters as may be expressly consented to in writing by the Lender.

**14. DEFENSE AND NOTICE OF CLAIMS AND ACTIONS.** Trustor shall appear in and defend, at its own expense, any action or proceeding materially affecting the Security and/or the rights of Beneficiary. Trustor shall give Beneficiary and Trustee prompt notice in writing of the filing of any material claim, of the filing of any material action or proceeding and of any material condemnation offer or action with respect to the Security upon Trustor's receipt of notice thereof.

**15. SUITS TO PROTECT THE SECURITY.** During the continuation of an Event of Default, Beneficiary shall have all rights, power and authority to institute and maintain such suits and proceedings as it may reasonably deem necessary (a) to prevent any material impairment of the Security or Rents or prejudice to any material interest or right of Beneficiary, (b) to preserve or protect its interest in the Security and in the Rents, and (c) to restrain or enjoin the enforcement of or compliance with any governmental legislation, regulation, or order if the enforcement of or compliance with such legislation, regulation, or order would materially impair the Security or Rents or be prejudicial to any material interest or right of Beneficiary.

**16. DAMAGE TO SECURITY.** Trustor shall give Beneficiary and Trustee prompt notice in writing of any damage to or destruction of the Security exceeding \$250,000. If any Real Property is

damaged or destroyed, Trustor shall, at its cost and expense, subject to the Senior Loans, repair or restore said Security materially consistent with the original plans and specifications. Subject to the Senior Loans, such work or repair shall be commenced within one hundred twenty (120) days after the receipt of insurance proceeds from such damage or loss and shall be completed within one year thereafter, or such longer period of time as shall be agreed under the Senior Loans. All insurance proceeds collected for such damage or destruction shall be applied to the cost of such repairs or restoration and, if such insurance proceeds shall be insufficient for such purpose, Trustor shall make up the deficiency.

17. **TITLE.** Trustor warrants that Trustor lawfully has legal title to the Security without any limitation on the right to encumber other than those limitations set forth in the County CPF Loan Note, CPF County CPF Loan Agreement, this County CPF Loan Deed of Trust, the Senior Loans, and the Permitted Encumbrances.

18. **GRANTING OF EASEMENTS.** Trustor may not grant easements, licenses, rights-of-way or other rights or privileges in the nature of easements with respect to the Security except (a) those required or desirable for installation and maintenance of public utilities including water, gas, electricity, sewer, cable television, telephone, (b) Permitted Encumbrances, or (c) those required by law.

19. **TAXES AND LEVIES.** Trustor shall be responsible for payment of all fees, assessments, taxes, charges, and levies imposed by any public authority or utility company with respect to the Property or the Project, and shall pay such charges prior to delinquency. However, Trustor shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings, and (b) if requested by Beneficiary, Trustor deposits with Beneficiary any funds or other forms of assurance Beneficiary in good faith from time to time determines appropriate to protect Beneficiary from the consequences of the contest being unsuccessful.

20. **INSURANCE.** Trustor shall provide such insurance as required under the County CPF Loan Documents. In the event Trustor fails to maintain the full insurance coverage required by this County CPF Loan Deed of Trust and the County CPF Loan Documents, Beneficiary, after at least ten (10) business days prior notice to Trustor, may, but shall be under no obligation to, take out the required policies of insurance and pay the premiums on such policies. Any amount so advanced by Beneficiary, together with interest thereon from the date of such advance at the same rate of indebtedness as specified in the County CPF Loan Note (unless payment of such an interest rate would be contrary to applicable law, in which event such sums shall bear interest at the highest rate then allowed by applicable law), shall become an additional obligation of Trustor to Beneficiary and shall be secured by this County CPF Loan Deed of Trust.

21. **CONDEMNATION.** Subject to the Senior Loans, all judgments, awards of damages, settlements and compensation made in connection with or in lieu of taking all or any part of or interest in the Security under assertion of the power of eminent domain ("Condemnation Funds") are hereby assigned to and shall be paid to Beneficiary. Beneficiary is authorized (but not required) to collect and receive all Condemnation Funds and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such order and manner as Beneficiary shall determine at its sole option. All or any part of the Condemnation Funds so collected and recovered by Beneficiary may be released to Trustor upon such conditions as Beneficiary may impose in Beneficiary's sole discretion. Application of all or any part of the Condemnation Funds collected and received by Beneficiary or the release thereof shall not cure or waive any Event of Default under this County CPF Loan Deed of Trust or the County CPF Loan Documents.

Notwithstanding anything to the contrary set forth herein, Beneficiary shall, prior to the application of the Condemnation Funds or any portion thereof to the indebtedness or other obligations, apply such

portion of the Condemnation Funds as is reasonable and necessary to repair and preserve the value, marketability and rentability of the Security. Trustor shall have the right to rebuild repair or restore the Security and to use all available Condemnation Funds therefor, provided that (a) such Condemnation Funds are sufficient to keep the loans encumbering the Property in balance and rebuild repair or restore the Security in a manner that provides adequate security to Beneficiary for repayment of the County CPF Loan or, if such Condemnation Funds are insufficient or such security is inadequate, then Trustor shall have funded any deficiency and/or provided additional security; (b) Beneficiary shall have the right to approve plans and specifications for any rebuild, repair or restoration and the right to require that disbursement of insurance proceeds and Condemnation Funds for rebuilding repairing or restoring the Security be placed in a construction escrow or similar arrangement subject to Beneficiary's approval; and (c) no Event of Default then exists under the County CPF Loan Documents other than any default which is a direct result of the condemnation.

**22. ACCELERATION ON TRANSFER OF SECURITY; ASSUMPTION.** In the event that Trustor, without the prior written consent of the Beneficiary, sells, materially encumbers, transfers, or conveys, or agrees to sell, materially encumber, transfer, or convey, directly or indirectly, whether by operation of law or otherwise, its interest in the Security or any part thereof or any interest therein (other than Permitted Encumbrances), Beneficiary may in its sole discretion declare all sums secured by this County CPF Loan Deed of Trust to be immediately due and payable. This option shall not apply in case of Permitted Encumbrance or:

A. The grant of a leasehold interest to tenants who will occupy units in the Project as provided for under the County CPF Loan Agreement;

B. Sale or transfer of personal property pursuant to the grant provisions in this County CPF Loan Deed of Trust. Consent to a sale, encumbrance, or transfer shall not be deemed to be a waiver of the right to require such consent to future or successive transactions;

**23. RECONVEYANCE BY TRUSTEE.** This County CPF Loan Deed of Trust shall remain in effect for the entire Term of the County CPF Loan Agreement. Upon written request of Beneficiary stating that all sums secured by this County CPF Loan Deed of Trust have been paid, and upon surrender of this County CPF Loan Deed of Trust to Trustee for cancellation and retention, and upon payment by Trustor of Trustee's reasonable fees, Trustee shall reconvey the Security to Trustor, or to the person or persons legally entitled thereto. Upon payment of all sums secured by this County CPF Loan Deed of Trust, Beneficiary shall promptly cooperate with this Section 23.

### **DEFAULT AND REMEDIES**

**24. EVENTS OF DEFAULT.** Any of the events listed in the County CPF Loan Agreement as an Event of Default shall also constitute an Event of Default under this County CPF Loan Deed of Trust, subject to applicable notice and cure periods. A cure of any default made or tendered by Trustor's limited partners shall be accepted or rejected on the same basis as if made or tendered by Trustor.

**25. ACCELERATION OF MATURITY.** Upon the continuation of an Event of Default which has not been cured within the time and in the manner provided in the County CPF Loan Agreement, Beneficiary may declare all sums advanced to Trustor under the County CPF Loan Note and this County CPF Loan Deed of Trust immediately due and payable.

**26. BENEFICIARY'S REMEDIES.** Upon the continuation of an Event of Default which has not been cured within the time and in the manner provided in the County CPF Loan Agreement, Beneficiary

may, in addition to other rights and remedies permitted by the County CPF Loan Agreement, the County CPF Loan Note, or applicable law, proceed with any or all of the following remedies:

A. Enforce the assignment of Rents and right to possession as provided for in this County CPF Loan Deed of Trust, and/or seek appointment of a receiver to take over possession of the Security and collect Rents;

B. Enter the Security and take any actions necessary in its judgment to complete construction on the Security, either in person or through a receiver appointed by a court;

C. Advance any amount necessary to cure any monetary Event of Default under this County CPF Loan Deed of Trust, the County CPF Loan Agreement, or the County CPF Loan Note;

D. Commence an action to foreclose this County CPF Loan Deed of Trust pursuant to California Code of Civil Procedure Section 725a et seq., as amended, and/or seek appointment of a receiver from a court of competent jurisdiction with the authority to protect Beneficiary's interests in the Security, including the authority to complete construction of improvements;

E. Deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause Trustor's interest in the Security to be sold and exercise its power of sale as provided for below; and/or

F. Pursue any other rights and remedies allowed at law or in equity.

**27. FORECLOSURE BY POWER OF SALE.** Should Beneficiary elect to foreclose by exercise of the power of sale contained in this County CPF Loan Deed of Trust, Beneficiary shall notify Trustee and shall deposit with Trustee this County CPF Loan Deed of Trust (the deposit of which shall be deemed to constitute evidence that the unpaid sums disbursed under the County CPF Loan Note are immediately due and payable), and such receipts and evidence of any advances made that are additionally secured hereby as Trustee may require.

Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and election to sell as then required by law and by this County CPF Loan Deed of Trust. Trustee shall, to the extent permitted by applicable law, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Security, at the time and place of sale fixed by it in said notice of sale, whether as, to the extent permitted by applicable law (including, without limitation, under the California Subdivision Map Act and ordinances and regulations derived therefrom), a whole or in separate lots or parcels or items as Trustee shall deem expedient and in such order as it may determine unless specified otherwise by Trustor, at public auction to the highest bidder for cash or credit in lawful money of the United States payable at the time of sale. Trustee shall deliver to the purchaser its deed or deeds conveying the Security so sold, but without any covenant or warranty, express or implied. Any person, including, without limitation, Trustor, Trustee, or Beneficiary, may purchase at the sale.

Trustee may postpone the sale of all or any portion of the Security by public announcement at such time and place of sale, and from time to time thereafter, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale.

28. **APPLICATION OF SALE PROCEEDS.** Subject to the Senior Loans, after deducting all reasonable costs, fees and expenses of Trustee, including costs of evidence of title in connection with such sale, Trustee shall apply the proceeds of sale as follows: first, to the payment of all sums then secured by this County CPF Loan Deed of Trust, in such order and amounts as Beneficiary in its sole discretion determines; and second, the remainder, if any, to the person or persons legally entitled thereto.

29. **REMEDIES CUMULATIVE.** No right, power or remedy conferred upon or reserved to Beneficiary by this County CPF Loan Deed of Trust is intended to be exclusive of any other rights, powers or remedies, but each such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity.

### GENERAL PROVISIONS

30. **GOVERNING LAW.** This County CPF Loan Deed of Trust shall be interpreted under and governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

31. **STATEMENT OF OBLIGATION.** Beneficiary may collect from Trustor a fee not to exceed the maximum allowable under applicable law for furnishing a statement of obligations as provided in the California Civil Code.

32. **CONSENTS AND APPROVALS.** Any consent or approval of Beneficiary required under this County CPF Loan Deed of Trust shall not be unreasonably withheld.

33. **TIME.** Time is of the essence in this County CPF Loan Deed of Trust.

34. **NOTICES, DEMANDS AND COMMUNICATIONS.** Formal notices, demands and communications between Trustor and Beneficiary shall be sufficiently given and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the principal offices of Trustor and Beneficiary as follows:

**BENEFICIARY:** County of Santa Barbara  
Housing and Community Development  
123 E. Anapamu Street, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101  
Attn: Deputy Director

With copy to: Office of County Counsel  
County of Santa Barbara  
105 E Anapamu Street, Room 201  
Santa Barbara, CA 93101

**TRUSTOR:** Sanctuary Centers  
P.O.Box 551  
Santa Barbara, CA 93102  
Attn: Chief Executive Officer

With copy to: Brownstein, Hyatt, Farber and Schreck, LLP  
1021 Anacapa Street, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101  
Attn: Janae N. Magee

35. **BINDING UPON SUCCESSORS.** All provisions of this County CPF Loan Deed of Trust shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors-in-interest, transferees, and assigns of Trustor, Trustee, and Beneficiary.

36. **WAIVER.** No waiver by Beneficiary of any obligation of Trustor in this County CPF Loan Deed of Trust shall be effective unless in writing signed by Beneficiary. To the extent permitted by applicable law, no waiver will be implied from any delay or failure by Beneficiary to take action on any breach or Event of Default of Trustor or to pursue any remedy allowed under the County CPF Loan Deed of Trust, any of the other County CPF Loan Documents, or applicable law. Any extension of time granted to Trustor to perform any obligation under this County CPF Loan Deed of Trust shall not operate as a waiver or release Trustor from any of its obligations under this County CPF Loan Deed of Trust. Consent by Beneficiary to any act or omission by Trustor shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's written consent to future waivers.

37. **AMENDMENTS AND MODIFICATIONS.** No amendment of or modification to this County CPF Loan Deed of Trust shall be effective unless it is in writing duly executed by both Beneficiary and Trustor.

38. **LOAN AGREEMENT CONTROLS.** If there is any contradiction between this County CPF Loan Deed of Trust and the County CPF Loan Agreement, the terms of the County CPF Loan Agreement shall control, except that Trustor shall have no defense or claim that this County CPF Loan Deed of Trust does not establish a valid lien on the Property or the Security.

39. **DEFINITIONS.** Capitalized terms used but not defined in this County CPF Loan Deed of Trust shall have the respective meanings ascribed to such terms in the County CPF Loan Agreement.

40. **PROOFS OF CLAIM.** In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, recomposition or other proceedings affecting Trustor, its creditors or its property, Trustee, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Beneficiary allowed in such proceedings and for any additional amount which may become due and payable by Trustor hereunder after such date.

41. **SEVERABILITY.** Every provision of this County CPF Loan Deed of Trust is intended to be severable in the event that any term or provision of this County CPF Loan Deed of Trust is declared to be illegal, invalid, or unenforceable by a court of competent jurisdiction, in which case the legality, validity, and enforceability of the remaining provisions hereof shall not be affected. If the lien of this County CPF Loan Deed of Trust is invalid or unenforceable as to any part of the Trustor's indebtedness or the Trustor's obligations secured thereby, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the Trustor's indebtedness and all payments made on the indebtedness (whether voluntary or under foreclosure or other enforcement action or procedure) shall be considered to have been first paid or applied to the payment of that portion of the indebtedness which is not secured or partially secured by the lien of this County CPF Loan Deed of Trust.

42. **SUBSTITUTION OF TRUSTEES.** Beneficiary may from time to time appoint another trustee to act in the place and stead of Trustee or any successor. Upon such appointment and without conveyance, the successor trustee shall be vested with all title, powers, and duties conferred upon Trustee.

43. **ACCEPTANCE BY TRUSTEE.** Trustee accepts this trust when this County CPF Loan Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, the Trustee is not obligated to notify any party hereto of pending sale under this County CPF Loan Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

44. This section intentionally left blank.

45. **NONRECOURSE.** Except as expressly provided in the second paragraph of this Section 45, the Trustor, and the Trustor's partners, officers, directors, employees and agents shall not have any direct or indirect personal liability for payment of the principal of, or interest on, the County CPF Loan Note. The sole recourse of the Beneficiary with respect to the principal of, or interest on, the County CPF Loan Note shall be to the property securing the indebtedness evidenced by this County CPF Deed of Trust. However, nothing contained in the foregoing limitation of liability shall, to the extent permitted by applicable law, (i) limit or impair the enforcement against all such security for the County CPF Loan Note of all the rights and remedies of the Beneficiary, or (ii) be deemed in any way to impair the right of the Beneficiary to assert the unpaid principal amount of the County CPF Loan Note as demand for money within the meaning and intent of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto.

The foregoing limitation of liability is intended to apply only to the obligation for the repayment of the principal of, and payment of interest on the County CPF Loan Note, except as hereafter set forth; nothing contained herein is intended to relieve the Trustor of personal liability to the extent of actual damages for (i) Trustor's fraud or willful misrepresentation; (ii) the failure to pay taxes, assessments or other charges (which are not contested by the Trustor in good faith) which create liens on the Property that are payable or applicable prior to any foreclosure under the County CPF Loan Deed of Trust (to the full extent of such taxes, assessments or other charges); (iii) the fair market value of any of Trustor's Personal Property or fixtures removed or disposed of by the Trustor during the continuation of an Event of Default, other than in accordance with the County CPF Loan Deed of Trust; (iv) the material misapplication of any proceeds under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss or destruction to any portion of the Property; (v) the Trustor's indemnification obligations under the County CPF Loan Agreement; and (vi) payment to the Beneficiary of any rental income or other income arising with respect to the Property received by the Trustor during the continuation of an Event of Default after the Beneficiary has given notice to the Trustor of the occurrence of such Event of Default and after the expiration of all applicable notice and cure periods, subject to the rights of any Senior Loan and any lender providing a loan secured by the Property to which the Beneficiary has subordinated the County CPF Loan Deed of Trust.

*Signatures appear on following page. No further text appears here.*

**IN WITNESS WHEREOF**, Trustor has executed this County CPF Loan Deed of Trust as of the day and year first above written.

**TRUSTOR:**

**SANCTUARY CENTERS OF SANTA BARBARA, INC.,**

a California nonprofit public benefit corporation

By:

  
\_\_\_\_\_  
Stephanie R. Drake, Ph.D, CEO

[TRUSTOR'S SIGNATURE MUST BE ACKNOWLEDGED]

**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Santa Barbara

On 3/26/26 before me, Andrew John Kish, Notary Public, personally appeared Stephanie R. Drake 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 Andrew Kish (Seal)

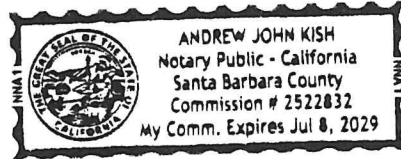


EXHIBIT A

**LEGAL DESCRIPTION**

## EXHIBIT "A"

### Legal Description

CLTA Preliminary Report Form - Modified (11.17.06) Printed: 03.28.23 @ 09:01 PM by uma  
SCA0002402.doc / Updated: 07.10.19 3 CA-CT-0-0-SPS-1-23-FWVE-7742300170

For APN/Parcel ID(s): **039-222-028 and 039-222-029**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF CITY BLOCK 126 AS DESIGNATED ON THE OFFICIAL MAP OF THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHWEST LINE OF SAID BLOCK ALSO BEING THE SOUTHEAST LINE OF ANAPAMU STREET, DISTANT THEREON S41°30'00"W 170.00' FROM THE NORTH CORNER OF SAID

BLOCK TO THE NORTH CORNER OF LOT 7 AS DESIGNATED AND SHOWN ON THE PLAT OR MAP AND REPORT FILED IN THE SUPERIOR COURT OF SAID COUNTY OF SANTA BARBARA, IN THE PARTITION SUIT OF EUGENE S. UPSON VS JULIA E. VAN STYKE, ET UX., DATED AUGUST 18, 1898, THE FINAL DECREE OF PARTITION IN SAID SUIT BEING RENDERED AUGUST 31, 1898, AND A COPY THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SANTA BARBARA COUNTY ON THE 31<sup>ST</sup> DAY OF AUGUST 1898, AND RECORDED IN BOOK 65 OF DEEDS, PAGE 123;

THENCE S48°29'23"E, PARALLEL TO THE NORTHEAST LINE OF SAID BLOCK 200.00' TO THE MOST EAST CORNER OF SAID LOT 7;

THENCE S41°30'00"W, PARALLEL TO SAID NORTHWEST LINE OF SAID BLOCK 55.00' TO THE MOST SOUTH CORNER OF SAID LOT 7;

THENCE S48°29'23"E, PARALLEL TO THE NORTHEAST LINE OF SAID BLOCK 25.00' TO THE SOUTHEAST LINE OF THE NORTHWEST 225.00' OF SAID BLOCK;

THENCE S41°30'00"W, ALONG SAID NORTHWEST 225.00', 17.83' TO THE NORTHEAST LINE OF THE SOUTHWEST 210.00' OF SAID BLOCK;

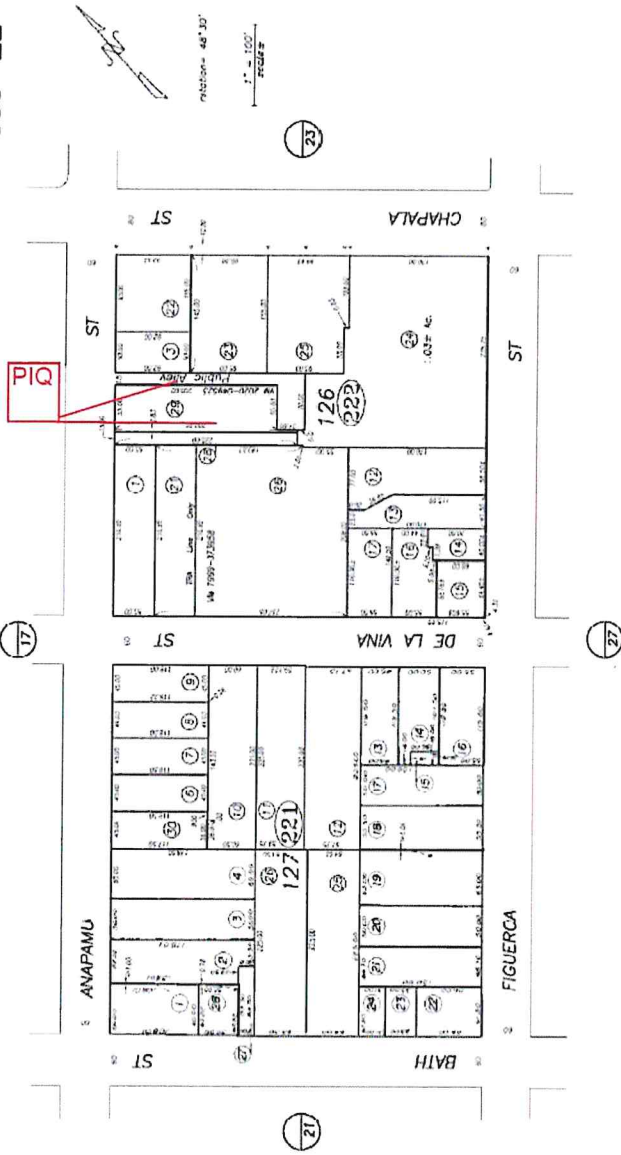
THENCE N48°30'15"W, ALONG SAID SOUTHWEST 210.00' OF SAID BLOCK 225.00' TO THE NORTHWEST LINE OF SAID BLOCK ALSO BEING THE SOUTHEAST LINE OF ANAPAMU STREET;

THENCE N41°30'00"E, ALONG THE NORTHWEST LINE OF SAID BLOCK AND THE SOUTHEAST LINE OF ANAPAMU STREET 72.89' MORE OR LESS, TO THE POINT OF BEGINNING.

SAID PROPERTY IS DESCRIBED IN THAT CERTAIN "CERTIFICATE OF VOLUNTARY MERGER", RECORDED SEPTEMBER 14, 2020, [INSTRUMENT NO. 2020-0049523 OF OFFICIAL RECORDS](#).

039-22

POR. PUEBLO LANDS



**NOTICE**  
 Assessor Provides for tax assessment  
 parcel's legal description or a valid building file

City of Santa Barbara  
 Assessor's Map Bk. 039-2g, 22  
 County of Santa Barbara, Calif.

09/20 27 & 2-10-20

This map plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

EXHIBIT B

## SENIOR LOANS

“SENIOR LOANS” means, collectively,

Effective Lien Seniority	Senior Lender	Loan Amount - Original Principal	Description
1 <sup>st</sup> Lien	Chase Bank, as successor in interest to First Republic Bank	\$8,900,000, which will convert to \$3,500,000	an amount not to exceed Eight Million Nine Hundred Thousand Dollars, for construction of the Project, which will convert to a Project permanent financing loan in an amount not to exceed Three Million Five Hundred Thousand Dollars, \$3,500,000
2 <sup>nd</sup> Lien (to be established upon recording of same)	State of California No Place Like Home Program	\$7,409,564	a permanent financing loan to be provided to Borrower under the State of California No Place Like Home Program
3 <sup>rd</sup> Lien	State of California Department of Social Services, Community Care Program	\$7,291,666	a permanent financing loan to Borrower from the State of California Department of Social Services
4 <sup>th</sup> Lien	California Department of Health Care Services, Behavioral Health-Capital Improvement Program	\$2,914,224	permanent financing loan
5 <sup>th</sup> Lien	Santa Barbara County Probation Department Community Corrections Partnership Act	\$1,500,000	permanent financing loan
6 <sup>th</sup> Lien	Santa Barbara County Permanent Local Housing Allocation	\$1,400,000	permanent financing Loan

In addition to the Senior Loans set forth above, for illustrative purposes, the parties acknowledge the following intended priority position of this County CPF Loan Deed of Trust and other financing.

7 <sup>th</sup> Lien	County of Santa Barbara, Community Project Funding program (this Deed of Trust)	\$1,000,000	County CPF Loan Deed of Trust
8 <sup>th</sup> Position (or lien, if any)	City of Santa Barbara	Various	various loan sources, 1994-present