



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: April 4, 2017

or Procurement Director Award

Contractor/Vendor Name (DBA): TMM Family Services, Inc.

Project Title/Description:

TMMFS Senior and Veterans Housing Project

Purpose:

Provide Affordable Housing for low and very-low income senior and veteran households. This Amendment will extend the contract term for an additional one year period and will extend the affordability period for an additional 10 years as provided for in the original contract promissory note deferral clause, and authorize the Board Chair to sign related legal documents identified in the amendment.

Procurement Method:

N/A

Program Goals/Predicted Outcomes:

Provide affordable rental housing with supportive services to low and very low-income senior and veteran households with the goal of sustaining aging in place.

Public Benefit:

Affordable housing and supportive services for low-income and very-low income senior and veteran households.

Metrics Available to Measure Performance:

Seven (7) HOME-assisted Units will remain affordable for thirty (30) years.

Retroactive:

No.

*To: COB 3-22-17 (2).
pgs. 15*

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e.,15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ _____ Revenue Amount: \$ _____

Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: CT Department Code: CD Contract Number (i.e.,15-123): 16-430

Amendment No.: One (1) AMS Version No.: 4

Effective Date: 04/04/2017 New Termination Date: 07/04/2018

Expense Revenue Increase Decrease Amount This Amendment: \$ _____

Funding Source(s): U.S. Department of Housing and Urban Development's (HUD) HOME Investment Partnership Program (HOME Program)

Cost to Pima County General Fund: None

Contact: Marcos Ysmael

Department: Community Development and Neighborhood Conservation Telephone: 724-7462

Department Director Signature/Date: Margaret M. Kue 03/17/2017

Deputy County Administrator Signature/Date: [Signature] 3/23/2017

County Administrator Signature/Date: C. D. [Signature] 3/22/17
(Required for Board Agenda/Addendum Items)

PIMA COUNTY COMMUNITY DEVELOPMENT
AND NEIGHBORHOOD DEVELOPMENT

PROJECT: *TMMFS Senior and Veterans Housing Project*

DEVELOPER: TMM Family Services, Inc.
1550 N. Country Club Rd.
Tucson, AZ 85716

PIMA COUNTY CONTRACT NO: CT-CD-16*430

CONTRACT AMENDMENT NO. ONE (1)

CONTRACT
NO. <u>CT-CD-16-430</u>
AMENDMENT NO. <u>01</u>
This number must appear on all invoices, correspondence and documents pertaining to this contract.

Original Contract Term:	07/05/2016 – 07/04/2017	Amount:	\$708,000.00
Termination Date Prior Amend:	N/A	Amount Prior Amend:	N/A
Termination Date this Amend:	07/04/2018	Amount this Amend:	\$0.00
		Revised Amount:	\$708,000.00

CONTRACT AMENDMENT NO. 1

RECITALS

- A. Pima County (“County”) and TMM Family Services, Inc., a non-profit corporation doing business in the State of Arizona (“Developer”) entered into the above referenced Contract for use of HOME program funds provided by the U.S. Department of Housing and Urban Development (“HUD”) to construct *TMMFS Senior and Veterans Housing Project*, a new, 20-unit multi-family housing development for low-income Seniors and Veterans.
- B. In exchange for the loan of \$708,000.00 of federal HOME Investment Partnership Program funds, Developer agreed operate and maintain *TMMFS Senior and Veterans Housing Project*: for very-low and low-income Senior and Veteran households and to establish seven (7) of the twenty (20) units as “HOME-Assisted Units” subject to federal rent, occupancy and resale restrictions.
- C. The restrictions on the twenty (20) housing units are in full force and effect for a period of twenty (20) years from the date of first occupancy of the last of the seven HOME-assisted units to be occupied (“the Affordability Period”).
- D. Developer’s performance and adherence to the terms and conditions set forth in the Contract for the entire Affordability Period are secured by the following:
 - 1. Declaration of Covenants, Conditions, and Restrictions for TMM Family Services Senior and Veteran Housing Project (Contract Exhibit E) to be recorded in the office of the Pima County Recorder;
 - 2. Deed of Trust and Assignment of Rents – TMM Family Services Senior and Veteran Housing Project (Contract Exhibit F) to be recorded in the office of the Pima County Recorder; and
 - 3. Pima County HOME Program Real Estate Non-Recourse Promissory Note (“the Note”).
- E. Under the terms of the Note, repayment of the \$708,000.00 loan, at 0% interest per annum, becomes due in one balloon payment of \$708,000.00 at the end of the current Affordability Period.

- F. The Note further provides “As a special consideration, provided that Maker [Developer] has not defaulted on either the Deed of Trust or the Contract, County in its sole discretion and with written approval of the Pima County Board of Supervisors, may waive or forgive all or any portion of the loan amount in consideration for an extension of the Affordability Period for a minimum of an additional ten (10) years.”
- G. Developer has asked County to exercise the discretion allowed under the Note to:
 - 1. Forgive the loan and not require repayment upon compliance with the Affordability Restrictions for the Affordability Period(s) defined herein; and
 - 2. Extend the Affordability Period for ten (10) additional years.
- H. County has reviewed Developer’s performance to date and finds that it is in compliance with the terms and conditions of the Contract.
- I. County finds that it is in the best interests of the low-income residents of the County to make affordable rental housing available for the long-term and that extending the Affordability Period for the HOME-Assisted units furthers this goal.
- J. Paragraph 1.1 of the contract provides County the option to renew this Agreement for up to one (1) 12-month period or any portion thereof.
- K. County acknowledges that construction of the project has been delayed due to the required environmental assessment process and agrees to extend the contract term one additional year in order to allow for HUD environmental clearance and subsequent completion of the project.
- L. Provided that Developer remains in compliance with the terms and conditions of the Contract and all documents securing performance and does not default on any such terms and conditions at any time, **County agrees to:**
 - 1. Extend the Affordability Period of the HOME assisted units for an additional ten (10) years; and
 - 2. As consideration for the ten-year extension of the Affordability Period, forgive all of the loan amount due and owing at the end of the County Affordability Period.

NOW, THEREFORE, THE PARTIES AGREE TO AMEND THE CONTRACT AS FOLLOWS:

- 1. **1.0 TERM AND EXTENSIONS** – Paragraph 1.1 is replaced in its entirety with the following:
 - 1.1 This Agreement, as awarded by County, will commence on July 5, 2016 or upon execution by the Pima County Board of Supervisors, whichever is later and will terminate on July 4, 2018, unless sooner terminated or further extended pursuant to the provisions of this Agreement.
- 2. **Paragraph 33.0 -- ISRAEL BOYCOTT CERTIFICATION** is added to read:
 - 33.1 Developer hereby certifies that it is not currently engaged in, and will not for the duration of this Contract engage in, a boycott of Israel as defined by A.R.S. § 35-393.01. Violation of this certification by Developer may result in action by County up to and including termination of this Contract.

3. **EXHIBIT A – SCOPE OF WORK** is amended as follows:

- 3.1. **Paragraphs 2.5.1, 2.5.2 and 2.5.3** are amended to add the following phrase at the beginning of the first sentence of each of the 3 paragraphs:

“During the HUD Affordability Period, ...”

- 3.2. **Paragraph 2.5.4.** is added to read:

After the 20-year HUD Affordability Period ends, the HOME-assisted units will continue to be reserved under the County Affordability Period as set forth under the “Purpose” as provided in Paragraph 1.3.

- 3.3. **Paragraph 2.6.** The first sentence of paragraph 2.6 is amended to read:

Annual tenant recertification and rent adjustment for the HOME-assisted units during the HUD Affordability Period and County Affordability Period.

- 3.4. **Paragraph 2.7.2.** is amended to add, at the end, the following:

and a County Affordability Period Deed of Trust, will be used to secure the affordability requirements during the **County Affordability Period.**

- 3.5. **Paragraph 3.1.2.** is replaced in its entirety with the following:

Developer will maintain and adhere to such plans and criteria for the duration of the HUD Affordability Period and the County Affordability Period.

- 3.6. **Paragraph 3.2.** The first sentence is replaced with the following:

During the **HUD and County Affordability Periods**, Developer will:

- 3.7. **Paragraph 6 Affordability Period:** The title for paragraph 6 is amended to read: **“Affordability Periods”.**

- 3.8. **Paragraph 6.1** is replaced in its entirety as follows:

The **HUD Affordability Period** will be for a period of twenty (20) years after the date of occupancy of the last of the seven (7) HOME-assisted units occupied, based on the date the HUD HOME Program Completion Report is submitted with all the tenant data for each of the seven HOME-assisted units.

- 3.9. **Paragraph 6.2** is replaced in its entirety as follows:

The **County Affordability Period** will be for a period of thirty (30) years after the date of occupancy of the last of the seven (7) HOME-assisted units occupied, based on the date the HUD HOME Program Completion Report is submitted with all the tenant data for each of the seven HOME-assisted units.

- 3.10. **Paragraph 6.3** shall be added as follows:

The **HUD Affordability Periods** shall be secured through regulatory agreements against the properties in favor of Pima County in the forms set forth in the Contract **Exhibits E and F.**

3.11. **Paragraph 6.4 is added as follows:**

Provided that Developer remains in compliance with the terms and conditions of the Contract and all documents securing performance and does not default on any such terms and conditions at any time, **County agrees to:**

- 6.4.1. Extend the Affordability Period of the HOME assisted units for an additional ten (10) years; and
- 6.4.2 As consideration for the ten-year extension of the Affordability Period, forgive all of the loan amount due and owing at the end of the County Affordability Period.
- 6.4.3 In consideration for the foregoing, the following are added:
 - 6.4.3.1 Contractor will execute and record in the Office of the Pima County Recorder the amendment to the CCRs set forth in the attached **Exhibit C-1**; and
 - 6.4.3.2 Contractor will execute and record in the Office of the Pima County Recorder the County Affordability Period Deed of Trust set forth in the attached, **Exhibit I**.

4. **Exhibit C-1** – **Amendment One to the Declaration of Covenants, Conditions, and Restrictions for TMM Family Services Senior and Veteran Housing Project** is attached.

5. **Exhibit I** – **Pima County Affordability Deed of Trust** is attached.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

All other provisions of this Contract, not specifically changed by this amendment, remain in effect and are binding upon the parties.

IN WITNESS WHEREOF, the parties do hereby affix their signatures and do hereby agree to carry out the terms of this Amendment and of the original Contract cited herein.

PIMA COUNTY:

DEVELOPER:

Chair, Board of Supervisors

Donald Strauch

Authorized Officer Signature

Date

DONALD STRAUCH, CEO

Printed name and title

ATTEST:

03/14/2017

Date

Clerk of the Board Date

APPROVED AS TO CONTENT:

Margaret M. Kue 03/13/2017

Director, Community Development Date
& Neighborhood Conservation

APPROVED AS TO FORM:

[Signature] *3/13/17*

Tobin Rosen, Deputy County Attorney

AMENDMENT ONE
TO THE
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
TMM FAMILY SERVICES SENIOR & VETERAN HOUSING PROJECT

OWNER: TMM Family Services, an Arizona non-profit corporation

COUNTY: Pima County, a body politic and corporate of the State of Arizona

PROPERTY: 3102 and 3108 E. Fairmount Street, Tucson, AZ 85716 (Fairmount St. site) and; 3131, 3135, 3137 and 3145 E. Lee Street, Tucson, AZ 85716 (Lee St. site), specifically described in Attachment 1

THIS IS THE FIRST AMENDMENT TO THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS MADE IN FAVOR OF COUNTY BY OWNER AS EVIDENCE OF OWNER'S AGREEMENT TO COMPLY WITH CERTAIN RESTRICTIONS IN CONSIDERATION OF RECEIVING A LOAN OF FEDERAL HOME PROGRAM GRANT FUNDS FOR USE IN THE DEVELOPMENT OF IMPROVEMENTS ON THE PROPERTY.

RECITALS

- A. Owner was awarded a 0% interest, deferred-payment loan of HOME Investment Partnership Program Grant Funds in the amount of \$708,000.00 from County under Pima County Contract No. CT-CD-16*430 ("the Contract").
- B. Under the Contract, Owner was required to use the HOME Program grant funds to construct twenty (20) affordable rental housing units for low-income for senior and veteran households.
- C. Pursuant to the Contract, Owner executed a **Deed of Trust and Assignment of Rents – TMM Family Services Senior & Veteran Housing Project** to be recorded in the office of the Pima County Recorder and a **Pima County HOME Program Real Estate Non-Recourse Promissory Note** ("the Note").
- D. Under the terms of the Note, repayment of the loan was not due until the end of a twenty (20) year affordability period (the "HUD Affordability Period").
- E. The Note further provides that "As a special consideration, provided that [Owner] has not defaulted on either the Deed of Trust or the Contract, County in its sole discretion and with written approval of the Pima County Board of Supervisors, may waive or forgive all or any portion of the loan amount in consideration for an extension of the Affordability Period for a minimum of an additional ten (10) years"
- F. County amended the Contract to forgive the repayment of the loan at the end of the County Affordability Period in exchange for Owner continuing to maintain affordability restrictions for an additional ten (10) years beyond the original twenty (20) year affordability period (the "County

When Recorded, Please Return To:

Pima County Community Development and Neighborhood Conservation Department
801 W. Congress St.
Tucson, AZ 85745

PIMA COUNTY AFFORDABILITY PERIOD DEED OF TRUST

TMM Family Services Senior and Veterans Housing Project

DATE: _____, 2017

TRUSTOR: TMM Family Services, Inc., a non-profit corporation doing business in the State of Arizona with a local Arizona mailing address of:
1550 N. Country Club Road, Tucson, Arizona 85716

TRUSTEE: Title Security Agency whose mailing address is:
1650 E. River Road, Suite 105, Tucson, AZ 85718

BENEFICIARY: Pima County, a political subdivision of the State of Arizona,
whose mailing address is:
Pima County Community Development & Neighborhood Conservation
Attention: Pima County G.O. Affordable Housing Bond Program
801 West Congress Street, Tucson, Arizona 85745

THE PROPERTY: Property situated in Pima County, Arizona, described as follows:

PARCEL 1: W210' N135' S1290' SW4 SW4 EXC W41' .52 AC SEC 4-14-14

PARCEL 2: E54' W264' N135' S1290' SW4 20 AC SEC 4-14-14

PARCEL 3: JONES E2 LOT 3 BLK 13

PARCEL 4: JONES PTN W60' S200' LOT 2 BLK 13

PARCEL 5: JONES PTN S200' EXC W60' LOT 2 BLK 13

See **Attachment 1** hereto. Together with all buildings, improvements and fixtures thereon or hereafter erected thereon.

Street address and identifiable location of this property:

A. Fairmount Street properties:

Address: 3102 E. Fairmount Street, Tucson, Arizona 85716; Tax Parcel No. 122-14-0130

Address: 3108 E. Fairmount Street, Tucson, Arizona 85716; Tax Parcel No. 122-14-0120

Lee Street properties:

Address: 3131 E. Lee Street, Tucson, Arizona 85716; Tax Parcel No. 122-17-3850

Addresses: 3135 and 3137 E. Lee Street, Tucson, Arizona 85716;

Tax Parcel No. 122-17-384B

Address: 3145 E. Lee Street, Tucson, Arizona 85716; Tax Parcel No. 122-17-384A

This Deed of Trust is made on the above date, by and between and among the Trustor, Trustee and Beneficiary above named.

Trustor hereby irrevocably grants, conveys, transfers and assigns to the Trustee in Trust, with Power of Sale, the Property, together with leases, issues, profits, or income therefrom (all of which are hereinafter called "**Property Income**"):

SUBJECT, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such Property Income, and further subject to current taxes and other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations, and liabilities as may appear of record.

FOR THE PURPOSE OF SECURING:

B. Performance of the "County Affordability Period" term of the Pima County HOME Program funding contract, Pima County Contract No. CT-CD-16*430, as amended, between Beneficiary and Trustor (the "**HOME Funding Agreement**").

C. Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or its successors or assigns, when evidenced by a Promissory Note or Notes reciting that they are secured by this Deed of Trust.

D. Performance of each agreement of Trustor contained in this Deed of Trust.

E. Performance of Trustor of each agreement and covenant contained in the Declaration of Covenants, Conditions, and Restrictions (the "**CC&Rs**") made by the Trustor and recorded in Sequence _____ Office of the Pima County Recorder amended _____, amended January 17, 2017, and recorded in Sequence _____, Office of the Pima County Recorder during the "County Affordability Period" as outlined in the CC&R's.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To keep the Property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed,

damaged, or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer, or permit any action upon the Property in violation of law; and to do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain, and deliver to Beneficiary fire and other property insurance satisfactory to and with loss payable to Beneficiary. Beneficiary may apply any amounts collected under any fire or other insurance policy to any indebtedness secured hereby and in such order as Beneficiary may determine, or at the sole option of Beneficiary all or any portion of the amount so collected may be released to Trustor. Such application or release does not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorney's fees and costs in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named, and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust.

4. To pay, before delinquent, all taxes and assessments affecting the Property, all encumbrances, charges, and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance, and all lawful charges, costs, and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

Should Trustor fail to make any payment or to do any action herein provided, Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may believe necessary to protect the security hereof. Beneficiary or Trustee are authorized to enter upon the Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay reasonable attorney's fees and costs and recover the same from Trustor.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as is provided for in the note or notes secured by this Deed of Trust or at the legal rate if it secures a contract or contracts other than a promissory note or notes secured by this Deed of Trust. Any amounts so paid by Beneficiary or Trustee shall become a part of the debt secured by this Deed of Trust and a lien on the Property or immediately due and payable at option of Beneficiary or Trustee.

6. That any award of damages in connection with any direct or indirect exercise of governmental police power or eminent domain, or for injury to the Property by reason of public use, or for damages for private trespass

or injury thereto, is assigned and will be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, the right to sue therefor and the ownership thereof subject to this Deed of Trust). Upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

7. That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, and without liability therefor, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the Property affected by the Trustee's action be credited on the indebtedness, the Trustee may: (a) release and reconvey all or any part of the Property; (b) consent to the making and recording, or either, of any map or plat of the Property or any part thereof; (c) join in granting any easement thereon; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge hereof.

9. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for cancellation, and upon payment of its fees, Trustee will release and reconvey, without covenant or warranty, express or implied, the Property then held hereunder. The recitals in such reconveyance of any matters or facts are conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the Property Income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such Property Income as it becomes due and payable. Upon any such default, Beneficiary may at any time, without notice, either in person, by agent, or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property or any part thereof, in its own name sue for or otherwise collect such Property Income, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees and costs, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of the Property, the collection of such Property Income, and the application thereof as aforesaid, does not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

11. That upon default by Trustor in (a) the payment of any indebtedness secured hereby, (b) the performance of the "County Affordability Period" obligation in the *HOME Funding Agreement as amended*, (c) the performance of the "County Affordability Period" obligation in the Declaration of Covenants, Conditions and Restrictions ("**CC&Rs**") **as amended**, or (d) in performance of any agreement hereunder, Beneficiary may, after giving written notice of default to Beneficiary and upon Beneficiary's failure to cure such default within ten (10) days of such notice for nonpayment of any amount due or within sixty (60) days of such notice for any other

default, declare all sums secured hereunder immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature of the default, and of election to cause the Property to be sold under this Deed of Trust.

Trustee will record and give notice of Trustee's sale in the manner required by law. After the lapse of such time as may then be required by law, subject to the statutory rights of reinstatement, the Trustee will sell, in the manner required by law, the Property at public auction at the time and place stated in the notice of Trustee's sale. Trustee may postpone or continue the sale by giving notice of postponement or continuance by public declaration at the time and place last appointed for the sale. Trustee will deliver to any purchaser its Deed conveying the Property so sold, but without any covenant or warranty, expressed or implied. Any person, including Trustor, Trustee, or Beneficiary, may purchase the Property 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 and reasonable attorney's fees and costs, Trustee will apply the proceeds of sale to payment of all sums then secured hereby and all other sums due under the terms hereof, with accrued interest; and the remainder, if any, to the person or persons legally entitled thereto, or as provided in A.R.S. § 33-812. In lieu of sale pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Beneficiary also has all other rights and remedies available hereunder and at law or in equity. All rights and remedies under this Deed of Trust are cumulative.

12. That Beneficiary may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein will, without conveyance from the predecessor Trustee, succeed to all the predecessor Trustee's title, estate, rights, powers, and duties. Trustee may resign by mailing or delivering notice thereof to Beneficiary and Trustor, by registered or certified mail, and by recordation of a Notice of Resignation of Trustee in the Office of the County Recorder in each county in which the Property or some part thereof is situated.

13. That this Deed of Trust applies to, inures to the benefit of, and binds all parties thereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" means the owner and holder of the promissory note or notes secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

14. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee is a party unless brought by Trustee.

Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to Trustor at Trustor's address hereinbefore set forth.

TRUSTOR:

TMM Family Services, Inc., a non-profit corporation registered to do business in the State of Arizona.

By: _____

Title: _____

ACKNOWLEDGEMENT:

State of Arizona)

) ss.

County of Pima)

This instrument was acknowledged before me this _____ day of _____, 2016, by _____, as _____ of TMM Family Services, Inc., a non-profit corporation registered to do business in the State of Arizona.

_____ Notary Public

My commission will expire: _____

Accepted and Approved by:

Director, Pima County Community Development and Neighborhood Conservation Department

Attachment 1

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL 1:

Address: 3102 E. Fairmount Street, Tucson, Arizona 85716
Tax Parcel No.: 122-14-0130
Legal Description: W210' N135' S1290' SW4 SW4 EXC W41'
.52 AC SEC 4-14-14

PARCEL 2:

Address: 3108 E. Fairmount Street, Tucson, Arizona 85716
Tax Parcel No.: 122-14-0120
Legal Description: E54' W264' N135' S1290' SW4
20 AC SEC 4-14-14

PARCEL 3:

Address: 3131 E. Lee Street, Tucson, Arizona 86716
Tax Parcel No.: 122-17-3850
Legal Description: JONES E2 LOT 3 BLK 13

PARCEL 4:

Addresses: 3135 and 3137 E. Lee Street, Tucson, Arizona 85716
Tax Parcel No.: 122-17-384B
Legal Description: JONES PTN W60' S200' LOT 2 BLK 13

PARCEL 5:

Address: 3145 E. Lee Street, Tucson, Arizona 85716
Tax Parcel No.: 122-17-384A
Legal Description: JONES PTN S200' EXC W60' LOT 2 BLK 13

END OF ATTACHMENT 1