

ORIGINAL

RESOLUTION NO. 2016-34

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RURAL NORTH VACAVILLE WATER DISTRICT PROVIDING FOR THE SALE OF UNALLOCATED WATER RIGHTS SUBJECT TO FINANCING**

**WHEREAS**, the Rural North Vacaville Water District (the "District") is a California community services district organized and operating pursuant to Government Code section 61000 et seq. to develop and provide a public water distribution system serving properties within its boundaries; and

**WHEREAS**, as of FY 2016-2017, there remain approximately thirty eight (38) unallocated water connections to the District;

**WHEREAS**, the price to obtain a water right from the District is currently \$40,000, which the Board of Directors is informed under certain circumstances can be prohibitive for members of the community to afford paying in full;

**WHEREAS**, the Board of Directors would like to sell these water rights, on a case by case basis, under a financing agreement to property owners who are in need of the water right but cannot afford to pay in full;

**RESOLVED**, the Board of Directors of the Rural North Vacaville Water District approves financing as a method for the purchase of a water right, provided that each prospective sale is brought to the Board of Directors at a future meeting for final approval, and other fees such as annexation, service, escrow fees, and the physical connection to the water main, and other applicable fees per the most recent District Fee Schedule, are to be paid in full and cannot be financed.


Sample Escrow documents attached:  
Installment Note; Deed of Trust and Assignment of Rents; Amortization Schedule

Passed and adopted by the Board of Directors for the Rural North Vacaville Water District at its regular meeting on September 13, 2016, by the following vote:

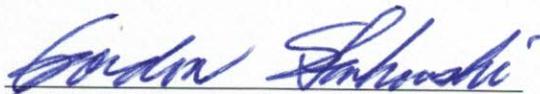
AYES: Directors Chris Calvert, Michael Branco, Jim Mortensen, Robert Whitehouse

NOES: Directors None

EXCUSED: Directors Doug Thomson

  
Christopher Calvert, President  
Board of Directors  
Rural North Vacaville Water District

ATTEST:

  
Gordon Stankowski, General Manager  
Rural North Vacaville Water District

**DO NOT DESTROY THIS ORIGINAL NOTE**

When paid, this Note, together with the Deed of Trust securing same, must be surrendered to the Trustee for cancellation before the Reconveyance will be issued.

Escrow No. 1690000202-MB

**INSTALLMENT NOTE – INTEREST INCLUDED**

\$40,000.00

Vacaville, California

September 1, 2016

For value received, \_\_\_\_\_INSERT NAME OF BUYER \_\_\_\_\_(payor/trustor) promise to pay to Rural North Vacaville Water District (payee/beneficiary) or order, at place designated by payee/beneficiary, the principal sum of Forty Thousand and 00/100--- dollars (\$40,000.00), with interest from \_\_\_INSERT INTEREST START DATE \_\_\_ at the rate of FIVE percent (5%) per annum on the amounts of principal sum remaining unpaid from time to time.

Principal and interest payable in ---semi-annual--- installments of One Thousand Five Hundred Ninety Three and 45/100--- dollars (\$1,593.45), or more each, on the day of each and every sixth month beginning on and continuing until paid in full.

DUE ON SALE: The Deed of Trust securing this Note contains the following provision: "In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable."

Each payment shall be credited first on interest then due and the remainder on principal; and interest shall then cease upon the principal so credited. Principal, interest, and all other sums which may become due in connection with this note and the deed of trust securing same, shall be payable in lawful money of the United States of America. Should default be made in any payment when due, the whole sum of principal and interest shall become immediately due at the option of the holder of this note. If action be instituted on this note, I promise to pay such sums as the Court may fix as attorney's fees.

\_\_\_\_\_  
BUYER SIGNATURE

RECORDING REQUESTED BY:

Old Republic Title Company

ESCROW NO.:

APN:

WHEN RECORDED MAIL TO

Rural North Vacaville Water District

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

## Deed of Trust and Assignment of Rents

This Deed of Trust, made this \_\_\_\_ day of \_\_\_\_ month & year \_\_\_\_, between \_\_\_\_ BUYER, herein called TRUSTOR, whose address is \_\_\_\_ BUYER ADDRESS \_\_\_\_, Old Republic Title Company, a California corporation, herein called TRUSTEE, and Rural North Vacaville Water District, herein called BENEFICIARY,

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Solano County, California, described as:

See "Exhibit A" attached hereto and made a part hereof.

In the event the herein described property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed or alienated by the Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable.

Together With the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

### For the Purpose of Securing:

1. Performance of each agreement of Trustor herein contained. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of \$40,000.00 executed by Trustor in favor of Beneficiary or order. 3. Payment of such further sums as the then record owner of said property hereafter may borrow from Beneficiary, when evidenced by another note (or notes) reciting it is so secured.

**To Protect the Security of This Deed of Trust, Trustor Agrees:**

(1) To keep said 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 act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default 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, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

(4) To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then 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 deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said 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 his reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

(6) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(7) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his 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, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien of charge thereof.

(9) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto". Five years after issuance of such full reconveyance, Trustee may

destroy said note and this Deed (unless directed in such request to retain them).

(10) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto 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 rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(11) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby 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 said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said 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 said 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. 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 as hereinafter defined, 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.

(12) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

(13) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(14) That Trustee accepts this Trust when this Deed, 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 shall be a party unless brought by Trustee.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

\_\_\_\_\_  
BUYER

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 \_\_\_\_\_  
County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_ a Notary Public, personally appeared \_\_\_\_\_ 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: \_\_\_\_\_

Name: \_\_\_\_\_  
(Typed or Printed)

(Seal)

**Amortization Schedule for** ~~Golden Sparrow~~

**Escrow No.:** 1690000202  
**Principal Balance:** 40,000.00  
**Payment Amount:** 1,593.45

**Print Date:** 09/01/2016  
**Interest Rate:** 5.000  
**Payments are:** Semi-Annually

Payment Due	Payment No	Allocated to Interest	Allocated to Principal	Remaining Balance After Current Payment
November 01	YYYY	1	1,000.00	
May	2017	2	593.45	39,406.55
November	2017	3	608.29	38,798.26
May	2018	4	969.96	38,174.77
November	2018	5	954.37	37,535.69
May	2019	6	938.39	36,880.63
November	2019	7	922.02	36,209.20
May	2020	8	905.23	35,520.98
November	2020	9	888.02	34,815.55
May	2021	10	870.39	34,092.49
November	2021	11	852.31	33,351.35
May	2022	12	833.78	32,591.68
November	2022	13	814.79	31,813.02
May	2023	14	795.33	31,014.90
November	2023	15	775.37	30,196.82
May	2024	16	754.92	29,358.29
November	2024	17	733.96	28,498.80
May	2025	18	712.47	27,617.82
November	2025	19	690.45	26,714.82
May	2026	20	667.87	25,789.24
November	2026	21	644.73	24,840.52
May	2027	22	621.01	23,868.08
November	2027	23	596.70	22,871.33
May	2028	24	571.78	21,849.66
November	2028	25	546.24	20,802.45
May	2029	26	520.06	19,729.06
November	2029	27	493.23	18,628.84
May	2030	28	465.72	17,501.11
November	2030	29	437.53	16,345.19
May	2031	30	408.63	15,160.37
November	2031	31	379.01	13,945.93
May	2032	32	348.65	12,701.13
November	2032	33	317.53	11,425.21
May	2033	34	285.63	10,117.39
November	2033	35	252.93	8,776.87
May	2034	36	219.42	7,402.84
November	2034	37	185.07	5,994.46
May	2035	38	149.86	4,550.87
November	2035	39	113.77	3,071.19
May	2036	40	76.78	1,554.52
			38.86	0.00
<b>TOTAL TO DATE</b>		\$23,737.93	\$40,000.00	\$0.00