

RECORDING REQUESTED BY:

City of Redondo Beach

WHEN RECORDED MAIL TO:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attention: Joy A. Ford, Esq.

(No Fee per Government Code § 27383)

**PERFORMANCE DEED OF TRUST
(Option to Cure and Purchase Agreement)**

THIS PERFORMANCE DEED OF TRUST (this "Deed of Trust") dated as of October 21, 2025 is entered into by Debra Merrill, an unmarried woman ("Trustor") whose address is 2001 Artesia Boulevard, #301, Redondo Beach, California 90278 in favor of First American Title ("Trustee"), for the benefit of the City of Redondo Beach, a chartered municipal corporation (the "City") whose address is 415 Diamond Street, Redondo Beach, California 90277 and the Housing Authority of the City of Redondo Beach, a public body, corporate and politic (the "Authority") whose address is also 415 Diamond Street, Redondo Beach, California 90277 (the City and Authority are referred to hereinafter collectively and individually as the "Beneficiary").

Trustor, in consideration of the obligations referred to below and the trust hereby created, irrevocably grants, transfers, conveys, and assigns to Trustee, in trust, with power of sale, Trustor's fee interest in and to that real property located in the City of Redondo Beach, County of Los Angeles, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER WITH: All rights, title and interest (including any claim or demand in law or equity) which Trustor now has or may hereafter acquire in or to such property; all easements and rights of way appurtenant to such property; all crops growing or to be grown on such property; all water and water rights (whether or not appurtenant to such property) and shares of stock pertaining to such water or water rights, ownership of which affects such property; all minerals, oil, gas, and other hydrocarbon substances and rights thereto in, on, under, or upon such property and all royalties and profits from any such rights or shares of stock. The real property described in Exhibit "A" attached hereto shall be referred to as the "Property".

FOR THE PURPOSE OF SECURING: performance of Trustor's obligation to allow the Beneficiary to cure any default or otherwise purchase the Property in accordance with, and subject to, the terms and conditions of the October 21, 2025 Agreement

Containing Covenants, Restrictions and Option to Purchase [Moderate Income] ("Covenant Agreement") executed by Trustor and Beneficiary, recorded concurrently herewith and incorporated herein by reference.

**TO MAINTAIN AND PROTECT THE SECURITY OF THIS DEED OF TRUST,
TO SECURE THE FULL AND TIMELY PERFORMANCE BY TRUSTOR OF
THE SECURED OBLIGATION, TRUSTOR HEREBY COVENANTS AND
AGREES AS FOLLOWS:**

1. Maintenance of the Property. Trustor will:
 - a. keep the Property in good condition;
 - b. not permit any mechanic's or materialman's lien to arise against the Property;
 - c. comply with all laws having a material effect on the Property; and
 - d. not commit or permit waste on or to the Property.
2. Taxes and Other Sums Due. Trustor will promptly pay, satisfy and discharge when due:
 - a. prior to delinquency, all general and special taxes, and assessments, water and sewer district charges, rents and premiums affecting the Property; and
 - b. all encumbrances, charges and liens on the Property, with interest thereon, which are prior or superior to the lien of this Deed of Trust. Upon request by Beneficiary, Trustor will promptly furnish Beneficiary with all notices of sums due for any amounts specified in subparagraph (a) hereof, and upon payment of any such sum by Trustor, Trustor will promptly furnish Beneficiary with written evidence of such payment. Should Trustor fail promptly to make any payment required hereunder, Beneficiary may (but is not obligated to), at Beneficiary's sole expense, make such payment. Trustor will notify Beneficiary immediately upon receipt by Trustor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Trustor, may (but is not obligated to), at Beneficiary's expense, contest by appropriate proceedings such increase in assessment.
3. Lease of the Property by Trustor. Except as permitted under the Covenant Agreement, Trustor shall not enter into a lease for all or any portion of the Property.
4. Defense of Deed of Trust; Litigation. Trustor will give Beneficiary immediate written notice of any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust. Trustor shall commence, appear in, prosecute, defend, compromise and

settle, and incur necessary costs and expenses, including reasonable attorneys' fees, in so doing, any action or proceeding, whether judicial or non-judicial, deemed necessary in Beneficiary's reasonable judgment to preserve or protect the Property or this Deed of Trust. Trustor shall utilize counsel reasonably satisfactory to Beneficiary in connection with any such action or proceeding. Trustor will pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and reasonable attorneys' fees, in any such action or proceeding in which Beneficiary or Trustee may appear or for which legal counsel is sought, whether by virtue of being made a party defendant or otherwise, and whether or not the interest of Beneficiary or Trustee in the Property is directly questioned in such action or proceeding, including, without limitation, any action for the condemnation or partition of all or any portion of the Property and any action brought by Beneficiary to foreclose this Deed of Trust or to enforce any of its terms or provisions.

5. Failure of Trustor to Comply with Deed of Trust. Should Trustor fail to do any act required by this Deed of Trust, or should there be any action or proceeding (including, without limitation, any judicial or non-judicial proceeding to foreclose the lien of a junior or senior mortgage or deed of trust) affecting or purporting to affect the Property or this Deed of Trust, Beneficiary or Trustee may (but is not obligated to):
 - a. Make any such payment or do any such act in such manner and to such extent as either deems necessary to preserve or protect the Property or this Deed of Trust, Beneficiary and Trustee being authorized to enter upon the Property for any such purpose; and
 - b. In exercising any such power, pay necessary expenses, employ attorneys and pay reasonable attorneys' fees incurred in connection therewith, without notice to or demand upon Trustor and without releasing Trustor from any obligation hereunder.
6. Amounts Advanced to Bear Interest. At Beneficiary's request, Trustor will immediately pay any expenses or other amounts advanced or paid by Beneficiary or Trustee under any provision of this Deed of Trust. Until so repaid, all such amounts shall be added to, and become a part of, the indebtedness secured hereby and bear interest from the date of advancement or payment by Beneficiary or Trustee at the highest rate then allowed by applicable law.
7. Default. Each of the following shall constitute a **"Default"** under this Deed of Trust:
 - a. The filing by Trustor of any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors; or
 - b. In the event that after the date hereof, except as provided in the Covenant Agreement Trustor sells, contracts to sell, gives an option to purchase,

conveys, transfers or alienates the Property, or suffers its title to, or any interest in the Property to be divested, whether voluntarily or involuntarily;
or

- c. Trustor defaults under the terms and conditions of the Covenant Agreement.
8. Remedies on Default. In the event of any Default hereunder which remains uncured following notice from Beneficiary and any cure period for such Default set forth herein, Beneficiary, at Beneficiary's option, and to the extent permitted by applicable law, may, by delivering to Trustee a written declaration of default and demand for sale, executed by Beneficiary and reciting facts demonstrating such default by Trustor, together with a written notice of default, cure any defaults or purchase the Property pursuant to the terms of the Covenant Agreement. Beneficiary shall also deposit with Trustee the Covenant Agreement (including any amendments thereto), this Deed of Trust and such other documents necessary or appropriate. Upon receipt by Trustee of such affidavit or declaration of default and such notice of default and election to sell, Trustee shall accept as true and conclusive all facts and statements contained in such affidavit or declaration of default and shall cause such notice of default and election to sell to be recorded as required by applicable law. Upon the expiration of such period as may then be required by applicable law following recordation of such notice of default, and after notice of sale has been given in the manner and for the period required by applicable law, Trustee, without demand on Trustor, shall sell the entire Property at the time and place fixed in such notice of sale, to Beneficiary, subject to the minimum bid requirement, for cash in lawful money of the United States, payable at the time of sale. Such sale shall be subject to all of the terms and conditions of the Covenant Agreement. Trustee may postpone the sale of all or any portion of the Property by public announcement made at the initial time and place of sale, and from time to time thereafter by public announcement made at the time and place of sale fixed by the preceding postponement. Trustee shall deliver to Beneficiary at such sale its deed conveying the Property, but without any covenant or warranty, express or implied. The recital in such deed of any matter of fact shall be conclusive proof of the truthfulness thereof. After deducting all costs, fees, and expenses of Trustee under this Section, including costs of procuring evidence of title and Trustee's and Trustee's attorneys' fees incurred in connection with such sale. Trustee shall deliver all proceeds up to the purchase price to Trustor and any excess to Beneficiary.
9. Obligation to Inform Beneficiary of Default. Trustor will notify Beneficiary in writing, at or prior to the time of the occurrence of any Default event described in Section 7 hereof, of such event and will promptly furnish Beneficiary with any and all information concerning such event which Beneficiary may request.
10. Remedies Cumulative. Each remedy provided by this Deed of Trust is separate and distinct and is cumulative to all other rights and remedies provided hereby or by applicable law, and each may be exercised concurrently, independently or successively, in any order whatsoever.

11. Trustee. The Trustee shall be deemed to have accepted the terms of this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee shall not be obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee is a party, unless such sale relates to or reasonably might affect the Property or this Deed of Trust, or unless such action or proceeding has been instituted by Trustee against the Property, Trustor or Beneficiary.
12. Reconveyance. Upon written request of Beneficiary reciting that the right to cure or purchase will not be exercised by Beneficiary, surrender of this Deed of Trust to Trustee for cancellation, and payment by Beneficiary of any reconveyance fees customarily charged by Trustee, Trustee shall reconvey, without warranty, the Property as directed by Beneficiary and Trustor in a joint writing. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof.
13. Substitution of Trustee. Beneficiary, at Beneficiary's option, may from time to time, by written instrument approved in writing by Trustor, substitute a successor to Trustee named herein or acting hereunder, which instrument, when executed and acknowledged by Beneficiary and Trustor and recorded in the office of the Recorder of the county in which the Property is located, shall constitute conclusive proof of the proper substitution of such successor Trustee, who shall, without conveyance from the predecessor Trustee, succeed to all right, title, estate, powers and duties of such predecessor Trustee, including without limitation, the power to reconvey the Property. To be effective, such instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page at which, and the county in which, this Deed of Trust is recorded and the name and address of the substitute Trustee and be signed by Trustor. If any notice of default has been recorded hereunder, this power of substitution cannot be exercised until all costs, fees and expenses of the then acting Trustee have been paid. Upon such payment, the then acting Trustee shall endorse receipt thereof upon the instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of other provisions for substitution provided by applicable law.
14. No Waiver by Beneficiary. No waiver by Beneficiary of any right or remedy provided by the Covenant Agreement, this Deed of Trust or applicable law shall be effective unless such waiver is in writing and subscribed by Beneficiary. Waiver by Beneficiary of any right or remedy granted to Beneficiary under the Covenant Agreement or any provision thereof, this Deed of Trust or applicable law as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. The assertion by Beneficiary of any right or remedy provided by this Deed of Trust shall not constitute a waiver of Beneficiary's right to require prompt performance of the Secured Obligation and Trustor's obligations under this Deed of Trust.
15. Consents and Approvals to be in Writing. Whenever the consent or approval of Beneficiary or Trustor is specified as a condition of any provision of this Deed of

Trust, such consent or approval by Beneficiary or Trustor, as applicable, shall not be effective unless such consent or approval is in writing, subscribed by Beneficiary or Trustor, as applicable. Such consent shall not be unreasonably withheld, delayed or conditioned.

16. Notices. All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered:

- a. upon receipt when hand delivered during normal business hours (provided that notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received);
- b. upon receipt when sent by facsimile to the number set forth below (provided, however, that notices given by facsimile shall not be effective unless the sending party delivers the notice also by one other method permitted under this Section);
- c. upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that the sender has in its possession the return receipt to prove actual delivery); or
- d. one (1) business day after the notice has been deposited with either FedEx or United Parcel Service to be delivered by overnight delivery (provided that the sending party receives a confirmation of actual delivery from the courier).

The addresses of the parties to receive notices are as follows:

TO BENEFICIARY:

City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: City Manager, Michael Witzansky
Attention: Director of Community Services
Facsimile: (310) 543-1730

Housing Authority of the City of Redondo Beach
415 Diamond Street
Redondo Beach, California 90277
Attention: Housing Manager

TO TRUSTOR:
Debra Merrill
2001 Artesia Boulevard, #301
Redondo Beach, California 90278

TO TRUSTEE:
First American Title
330 North Brand Boulevard, Suite 1150
Glendale, California 91203
Attention: Trust Officer

17. Request for Notice of Default. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to it at the address specified herein.
18. Governing Law. This instrument shall be governed by and construed in accordance with the laws of the State of California.
19. Severability. If any paragraph, clause or provision of the Covenant Agreement or this Deed of Trust is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of the Covenant Agreement or this Deed of Trust.
20. Relationship. Nothing contained herein or in the Covenant Agreement shall be deemed to create or construed to create a partnership, joint venture or any relationship other than that of Trustor and Beneficiary. Trustor and Beneficiary expressly disclaim any intent to create a partnership or joint venture pursuant to this Deed of Trust or the Covenant Agreement.
21. Attorney Fees. If any party to this Deed of Trust shall bring any action for any relief against any other party, declaratory or otherwise, arising out of this Deed of Trust, the losing party shall pay to the prevailing party a reasonable sum for attorney fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment. For the purpose of this Section, attorney fees shall include, without limitation, fees incurred in the following:
 - a. post-judgment motions;

- b. contempt proceedings;
- c. garnishment, levy, and debtor and third party examinations;
- d. discovery; and
- e. bankruptcy litigation.

22. General Provisions.

- a. This Deed of Trust applies to, inures to the benefit of, and binds the respective heirs, legatees, devisees, administrators, executors, successors and assigns of each of the parties hereto.
- b. As used herein, the word "person" shall mean and include natural persons, corporations, partnerships, unincorporated associations, joint ventures and any other form of legal entity.
- c. As used herein, the word "Property" shall mean and include the Property and part thereof.
- d. As used herein and unless the context otherwise provides, the words "herein," "hereunder" and "hereof" shall mean and include this Deed of Trust as a whole, rather than any particular provision hereof.
- e. In exercising any right or remedy, or taking any action provided herein, Beneficiary may act through its employees, agents or independent contractors, as authorized by Beneficiary.
- f. Wherever the context so requires herein, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa.
- g. Captions and paragraph headings used herein are for convenience only, are not a part of this Deed of Trust and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have entered into this Deed of Trust as of the date first written above.

TRUSTOR:

Debra Merrill, an unmarried woman


Debra Merrill

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

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On this 9th day of October, 2025 before me, Jasmine N. Venegas
Notary Public, personally appeared, Debra Merrill, who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

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

WITNESS my hand and official seal.

Signature: _____

(Seal)

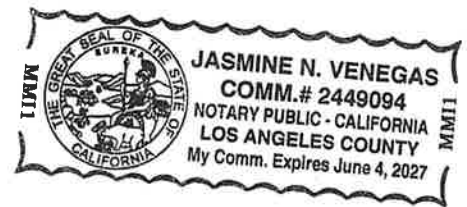


EXHIBIT "A"
LEGAL DESCRIPTION

Real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

A CONDOMINIUM COMPOSED OF:

PARCEL 1:

A) AN UNDIVIDED 874/47,349 INTEREST IN AND TO LOT 1 OF TRACT NO. 60361, IN THE CITY OF REDONDO BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1329, PAGE(S) 43 TO 45, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM UNITS 201R TO 216R, INCLUSIVE, 301R TO 316R, INCLUSIVE, AND 401PH AND 416PH, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 5, 2008 AS INSTRUMENT NO. 2008-0785400, OFFICIAL RECORDS.

B) UNIT 301, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 2:

AN EXCLUSIVE EASEMENT FOR PARKING SPACE PURPOSES OVER THOSE AREAS NUMBERED "34PS" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3

AN EXCLUSIVE EASEMENT FOR BALCONY OR PATIO PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "B" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 4

AN EXCLUSIVE EASEMENT FOR STORAGE CLOSET PURPOSES OVER THOSE AREAS BEARING THE UNIT NUMBER DESIGNATION FOLLOWED BY THE LETTER "S" AS SHOWN AND DEFINED AS EXCLUSIVE USE COMMON AREA ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

Assessor's Parcel Number: 4155-030-078