

**RECORDING REQUESTED BY**

AND WHEN RECORDED MAIL TO

NAME LATHAM & WATKINS LLP  
ATTN: JENNIFER YOO, ESQ.  
ADDRESS 355 S GRAND AVENUE, SUITE 100  
CITY LOS ANGELES  
STATE & ZIP CALIFORNIA 90071-1560

**SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS**

This Deed of Trust, made this \_\_\_\_\_ day of \_\_\_\_\_, 2018, between

TULARE LOCAL HEALTHCARE DISTRICT, a local health care district of the State of California, herein called Trustor, whose address is 1255 N. Cherry #536, Tulare, California 93274,

Stewart Title of California, Inc., a California Corporation, herein called Trustee, and

ADVENTIST HEALTH SYSTEM/WEST, a California nonprofit religious corporation doing business as Adventist Health, herein called Beneficiary, whose address is 2100 Douglas Boulevard, Roseville, California 95661.

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

SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE (the "Property")

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

**For the Purpose of Securing:** 1. Performance of each agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by that certain Debtor-in-Possession Credit Agreement of even date herewith made by and between Trustor and Beneficiary (as it may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), in the maximum principal sum of \$10,000,000. 3. Prompt and complete payment and performance of the Obligations (as defined in the Credit Agreement) when due (whether at stated maturity, by acceleration or otherwise) 4. Payment of such further sums as the then record owner of said Property may borrow from Beneficiary, when evidenced by another note (or notes) or other instrument reciting it is so secured.

**To Protect the Security of This Deed of Trust, Trustor Agrees:** By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (14), inclusive, of the fictitious deed of trust recorded in Santa Barbara County and Sonoma County October 18, 1961 and in all other counties October 23, 1961, in the book and at the page of Official Records in the office of the county recorder of the county where said Property is located, noted below opposite the name of such county, viz.:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	435	684	Imperial	1091	501	Modoc	184	851	San Francisco	A332	905
Alpine	1	250	Inyo	147	598	Mono	52	429	San Joaquin	2470311	
Amador	104	348	Kern	3427	60	Monterey	2194	538	San Luis Obispo	115112	Sutter 572
Butte	1145	1	Kings	792	833	Napa	639	86	San Mateo	4078420	Tehama 401
Calaveras	145	152	Lake	362	39	Nevada	305	320	Santa Barbara	1878860	Trinity 93
Colusa	296	617	Lassen	171	471	Orange	5889	611	Santa Clara	5336341	Tulare 2294
Contra Costa	3978	47	Los Angeles	T2055	899	Placer	895	301	Santa Cruz	1431494	Tuolumne 135
Del Norte	78	414	Madera	810	170	Plumas	151	5	Shasta	684	528
El Dorado	568	456	Marin	1508	339	Riverside	3005	523	San Diego	Series 2 Book 1961, Page 183887	
Fresno	4626	572	Mariposa	77	292	Sacramento	4331	62	Sierra	29	335
Glenn	422	184	Mendocino	579	530	San Benito	271	383	Siskiyou	468	181
Humboldt	657	527	Merced	1547	538	San Bernardino	5567	61	Solano	1105182	Yolo 653
											Yuba 334
											486

(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length (the "Incorporated Provisions"); that Trustor will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

The Addendum attached hereto (and incorporated by this reference herein) contains other terms and conditions of this Deed of Trust.

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

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Trustor has caused this Deed of Trust to be executed as of the day and year first written above.

**TRUSTOR:**

TULARE LOCAL HEALTHCARE DISTRICT,  
a local health care district of the State of California

By: \_\_\_\_\_  
Name:  
Title:

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.

**CALIFORNIA ACKNOWLEDGEMENT**

STATE OF CALIFORNIA } ss:  
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 \_\_\_\_\_

(Seal)

**Addendum to Short Form Deed of Trust and Assignment of Rents  
from  
Tulare Local Healthcare District  
for the benefit of  
Adventist Health System/West**

(15) Notwithstanding anything in Incorporated Provision paragraph (10) or otherwise in this Deed of Trust to the contrary, Beneficiary shall not have the rights described in such paragraph with respect to the collection of rents, issues and profits following the occurrence of a default by Trustor unless and until Beneficiary shall have sold, or caused to be sold, the Property in accordance with Incorporated Provision paragraph (11).

(16) Beneficiary, by its acceptance of this Deed of Trust, acknowledges and agrees that the portion of the Property commonly referred to as "Evolutions" (as more particularly described on Exhibit A attached hereto, the "Evolutions Property") is, as of the date of this Deed of Trust, encumbered by an existing deed of trust made by Trustor for the benefit of Health Care Compliance Association ("HCCA") recorded on [ ● ] as Document No. [ ● ] in the real property records of Tulare County, California (the "Existing Deed of Trust") securing a loan made by HCCA to Trustor in the original principal amount of [\$1,500,000] (the "HCCA Loan"), and that the Existing Deed of Trust is senior in priority to this Deed of Trust and this Deed of Trust is subordinate to the Existing Deed of Trust. Beneficiary further agrees that, in the event that Trustor secures new financing that is used, in whole or in part, to repay and satisfy the HCCA Loan in full and results in the full reconveyance, of record, of the Existing Deed of Trust (the "New Loan"), such New Loan may be secured by a new deed of trust encumbering the Evolutions Property (the "New Deed of Trust") and, provided that the amount secured by the New Deed of Trust does not and will not exceed Four Million Dollars (\$4,000,000), the Beneficiary agrees that the New Deed of Trust shall be superior and senior in priority to this Deed of Trust and this Deed of Trust shall be subject and subordinate to the New Deed of Trust.

**Exhibit A**  
**to Short Form Deed of Trust and Assignment of Rents**  
**from**  
**Tulare Local Healthcare District**  
**for the benefit of**  
**Adventist Health System/West**

Legal Description of the Property

Evolutions Property

Cottages Property