

# WARRANTY DEED

WE, KAREN KORUBAU & COLLEEN DUROCHER OF TAOS, NM  
2 P.O. BOX 1791, EL PRADO, NM, 87529, for consideration paid, grant  
to Cynthia A. EWERS

whose address is P.O. BOX 649, QUESTA, NM, 87556

the following described real estate in TAOS County, New Mexico:  
+ located at 90 VERDOIAGA ROAD, TAOS, 87571

ATTACHED EXHIBIT A  
PARCEL A-2

SUBJECT TO MORTGAGE BETWEEN GRANTOR  
AND GRANTEE -

ATTACHED AS EXHIBIT B

SUBJECT TO RESTRICTIONS, CONDITIONS, LIMITATIONS,  
RESERVATIONS AND EASEMENTS, IF ANY, OF RECORD.

with warranty covenants.

Witness my hand and seal this 3rd day of March, 2008  
Cynthia A. Ewers (Seal) \_\_\_\_\_ (Seal)  
\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)

### ACKNOWLEDGEMENT FOR NATURAL PERSONS

STATE OF NEW MEXICO )  
COUNTY OF TAOS ) ss.

This instrument was acknowledged before me on March 3, 2008  
by Cynthia Ewers and Karen Korubau  
My commission expires: 3-31-2011  
(Seal) \_\_\_\_\_ Jenny K McWhorter NOTARY PUBLIC

### ACKNOWLEDGEMENT FOR CORPORATION

STATE OF NEW MEXICO )  
COUNTY OF \_\_\_\_\_ ) ss.

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_  
by \_\_\_\_\_ (NAME OF OFFICER)  
\_\_\_\_\_ (TITLE OF OFFICER) of \_\_\_\_\_ (CORPORATION ACKNOWLEDGMENT)  
a \_\_\_\_\_ (STATE OF INCORPORATION) corporation, on behalf of said corporation

My commission expires: \_\_\_\_\_ NOTARY PUBLIC  
(Seal)

**FOR RECORDER'S USE ONLY**

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BY LUCIAO

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EXHIBIT A

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PARCEL A-2

A TRACT OF LAND WITHIN THE ANTONIO MARTINEZ GRANT IN COLONIAS, TAOS COUNTY, NEW MEXICO, BEING PORTIONS OF TRACTS 28, 29, & 30, MAP 26, SURVEY 2 OF THE 1941 TAOS COUNTY REASSESSMENT SURVEY, LOCATED WITHIN PROJECTED SECTION 2, TOWNSHIP 25 NORTH, RANGE 12 EAST, N.M.P.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" REBAR AT THE EASTERLY CORNER OF THAT CERTAIN 5.000 ACRE TRACT OF LAND PLAT OF SURVEY ENTITLED "KENELM K. WINSLOW" PREPARED BY KENELM C. WINSLOW, NMPS No. 4369, DATED MARCH 14, 1983, AND FILED FOR RECORD IN CABINET C, PAGE 7-B IN THE OFFICE OF THE COUNTY CLERK, COUNTY OF TAOS, STATE OF NEW MEXICO, FROM WHENCE A 5/8" REBAR WITNESS CORNER BEARS, S 46°59'00"W, 50.00 FEET;

THENCE, SOUTH 46°59'00" WEST A DISTANCE OF 410.51 FEET TO A REBAR WITH A CAP MARKED "LS 4369";

THENCE, NORTH 43°21'33" EAST A DISTANCE OF 3.42 FEET TO A 1/2" REBAR;

THENCE, SOUTH 43°00'04" WEST A DISTANCE OF 118.71 FEET TO A 1/2" REBAR SET WITH A CAP MARKED "NMPS 17532";

THENCE, NORTH 23°17'28" EAST A DISTANCE OF 448.34 FEET TO 1/2" REBAR SET WITH A CAP MARKED "NMPS 17532";

THENCE, SOUTH 43°00'25" EAST A DISTANCE OF 302.28 FEET TO THE POINT OF BEGINNING.

ALL AS DEPICTED ON A PLAT OF SURVEY AND LAND DIVISION ENTITLED "KAREN KORNBAU" PREPARED BY EAGLE PEAK LAND SURVEYING, INC., MARK W. SHADBURN, NMPS No. 17532, AS JOB No. 1478.02, AND DATED JANUARY 18, 2008.

SUBJECT TO A FIFTY (50.00) FOOT EASEMENT FOR INGRESS, EGRESS AND UTILITY PURPOSES ALONG THE NORTHEASTERLY LINE OF THE TRACT HEREIN DESCRIBED.

CONTAINING 87,115 SQUARE FEET OR 2.000 ACRES, MORE OR LESS.

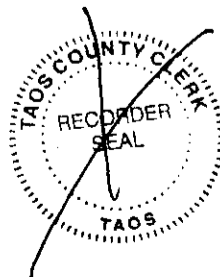


EXHIBIT B

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## MORTGAGE

CYNTHIA A. EWERS, a single woman, hereinafter called "Mortgagor", for consideration paid, whose address is: P.O. Box 649, Questa, NM 87556, grants to KAREN KORNBAU, a married woman, hereinafter called "Mortgagee", whose address is: PO Box 1791, El Prado, NM, 87529, the following described real estate in Taos County, New Mexico:

A certain tract of land in Taos County New Mexico more particularly described by metes and bounds provided in Exhibit "A" attached hereto and incorporated herein by reference (the "Mortgaged Premises").

Such Mortgaged Premises subject to reservations, covenants, restrictions, easements and matters of record,

with mortgage covenants.

1. This mortgage secures the performance of a Promissory Note of even date herewith, and any renewals, extensions or modifications thereof, whereby Mortgagor is indebted to Mortgagee in the principal sum of FORTY THOUSAND AND 00/100 DOLLARS (\$40,000.00), payable to Mortgagee as shown on the copy of said Note attached hereto as Exhibit "B", the terms and provisions of which are incorporated herein as though set forth in detail.

2. This Mortgage is also upon the statutory mortgage conditions and the following additional conditions, for the breach of any one or more of which is subject to foreclosure as provided by law:

A. ACCELERATION, FORECLOSURE AND REDEMPTION: In the event there is a non-payment when due of any installment of the Promissory Note secured hereby, or a breach of any one or more of the conditions herein set forth, and said non-payment or breach continues for thirty (30) days after written notice and demand to cure to Mortgagor, this Mortgage and the aforesaid Promissory Note shall be in default. In the event of default, the entire unpaid balance, both principal and accrued interest, under said Promissory Note and all other sums owed Mortgagee by

Mortgagor pursuant to the terms of the Mortgage shall be immediately due and payable, Mortgagee shall be entitled to take possession of the mortgaged premises, and this Mortgage shall be subject to foreclosure.

In the event foreclosure proceedings are filed by Mortgagee or Mortgagee is involved in other litigation concerning Mortgagor or the mortgaged premises caused by Mortgagor's default, all expenses incident to such litigation, including supplemental abstract expense and attorney's fees, shall be paid by Mortgagor and shall be secured by this Mortgage.

In the event of a judicial sale pursuant to a foreclosure decree, it is understood and agreed that Mortgagee or its assigns may become the purchaser of the mortgaged premises or any part thereof. The redemption period shall be three (3) months after judicial sale under a decree of foreclosure of this Mortgage.

**B. DUE ON SALE CLAUSE:** In the event Mortgagor sells, transfers, conveys the mortgaged premises, or her interest therein, during the term of this Mortgage, or if Mortgagor assigns this mortgage, the entire unpaid balance, both principal and accrued interest, under the aforesaid Promissory Note and all other sums owing Mortgagee by Mortgagor hereunder shall be immediately due and payable. In the event Mortgagor wishes to sell, transfer or convey a portion of the mortgaged premises, or any interest therein, during the term of this Mortgage, Mortgagor agrees to do so on terms acceptable to Mortgagee. Failure to determine or meet these terms on the part of the mortgagor will result in immediate activation of this due on sale clause.

**C. TAXES AND ASSESSMENTS:** Mortgagor shall pay all general taxes and assessments and any special assessments affecting the mortgaged premises when due and before delinquent.

**D. INSURANCE:** Mortgagor shall at all times during the term of this Mortgage maintain insurance as required by the statutory mortgage conditions (Section 47-1-41 (1978)). In the event of a loss, Mortgagor shall immediately make proof of loss and will give written notice thereof to Mortgagee, and hereby authorizes payment of insurance proceeds against the amounts owing hereunder by Mortgagor and to the expenses, if any, paid by Mortgagee in collecting the proceeds of such insurance.

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**E. MORTGAGED PREMISES PROTECTED:** Mortgagor shall not cause or allow any impairment of the value of the mortgaged premises and Mortgagee's interest therein. Mortgagor shall maintain the mortgaged premises to reflect its current value on the date of this Mortgage.

**F. EXPENSES OF MORTGAGEE:** In the event Mortgagor fails to perform any of the conditions herein contained, including but not limited to the payment of taxes, assessments, or insurance, Mortgagee may do any of the things required of Mortgagor under said conditions and all amounts expended therefore shall be added to the principal debt secured hereby as an additional personal obligation of Mortgagor, from the date of such expenditure, which additional personal obligation shall be secured by this Mortgage.

**G. CONDEMNATION:** In the event the mortgaged premises or any part thereof be condemned under any power of eminent domain, the damages and proceeds accruing to Mortgagor from such condemnations shall be payable to Mortgagor and Mortgagee jointly, and shall first be applied to the payment of the indebtedness secured hereby, including all advances made by Mortgagee hereunder.

3. Any sale, transfer or conveyance of the mortgaged premises, or any interest therein, any forbearance by Mortgagee or any extension of time to Mortgagor by Mortgagee shall not release, discharge, modify, change or affect Mortgagor's liability hereunder in any way and shall not constitute a waiver by Mortgagee of any of the conditions contained herein. Waiver of any condition contained herein by Mortgagee shall not operate as a further waiver of said condition.

4. "Mortgagee" shall mean the owners, holders, assignees or transferees of the security hereunder and the Promissory Note secured hereby. "Mortgagor" shall mean the maker of this instrument and the vendors, grantees, devisees, successors, heirs and assigns of maker. "Mortgage" shall mean this instrument. If any part or parts of this Mortgage shall be held inoperative by law, all remaining parts shall remain in full force and effect.

5. The conditions contained herein and the terms hereof shall be binding upon and inure to the benefit of the heirs, personal

representatives, executors, beneficiaries, successors and assigns of the Mortgagor and Mortgagee.

6. The undersigned shall have the right to prepay the principal amount outstanding in whole or in part, without penalty. Any partial prepayment shall be applied first to any late charges, then against accrued interest, then against the principal amount outstanding and shall not extend or postpone the due date of this Mortgage, the Note it secures, or any subsequent installment, unless the holder hereof shall otherwise agree in writing.

7. In accordance with the Promissory Note of even date herewith, which is annexed hereto as Exhibit "A", this Mortgage shall be paid by Mortgagor directly to Mortgagee and not through an escrow agent.

8. This Mortgage is drafted and shall be interpreted according to the laws of the State of New Mexico.

WITNESS my hand and seal this 3rd day of March, 2008.

Cynthia A. Ewers

CYNTHIA A. EWERS

ACKNOWLEDGEMENT IN AN INDIVIDUAL CAPACITY

STATE OF NEW MEXICO }

} SS:

COUNTY OF TAOS }

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Before me, a Notary Public in and for said County and State, personally appeared the person listed above as CYNTHIA A. EWERS who acknowledged that she did sign the foregoing instrument for each and

that the same is her free act and deed.

In Testimony Whereof I have hereunto set my hand and official seal, at  
Taos NM, this 3 day of March, 2008.

*Nancy K McWilliam*

NOTARY PUBLIC

My Commission Expires:

3-31-2011

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*EXHIBIT B*

**PROMISSORY NOTE**

\$40,000.00 March 1, 2008

FOR VALUE RECEIVED, the undersigned Maker promises to pay to the order of Karen Kornbau, hereinafter called "Holder", whose address is

P.O. Box 1791 EL PASO NM 87529

-----, on or before April 1, 2011, the principal sum of FORTY THOUSAND AND 00/100 DOLLARS (\$40,000.00) with interest at the rate of Three Percent (3 %) per annum from the date hereof until paid in full as follows:

1. Three equal payments of FOURTEEN THOUSAND ONE HUNDRED FIFTY-TWO DOLLARS AND FIFTY-THREE CENTS (\$14,152.53), which is comprised of both principal (\$13,333.33) and interest (\$819.20) to be paid on April 1, 2009, April 1, 2010, and April 1, 2011.

2. This Promissory Note shall be paid directly to Holder at the address provided above.

If attorneys are employed to collect this Promissory Note, their fees shall be paid by the undersigned Maker together with all costs of collection.

This Promissory Note is secured by a Mortgage of this same date. Any default in the terms of that Mortgage shall also be a default under this Promissory Note. If any default under this Promissory Note or the Mortgage securing it remains uncured THIRTY (30) days after the Holder gives Maker written notice of said default and demand to cure the same, this Note shall be subject to acceleration without further notice.

Maker hereby waives protest, presentment, dishonor, notice of dishonor and notice of protest in case this Note is not paid according to its terms. Further, the time of making payment of this Note may be extended without prejudice to the Holder, and without releasing the Maker.

Failure of the Holder hereof to exercise any rights hereunder at one

time shall not constitute a waiver of his rights at any other time.

The undersigned Maker shall have the right to prepay the principal amount outstanding in whole or in part, without penalty. Any partial prepayment shall not extend or postpone the due date of this Note, nor shall it alter the amount or sequence of any subsequent payments under this Note, unless the Holder hereof shall otherwise agree in writing.

DATED this 1st day of March, 2008.

Cynthia A. Ewers

CYNTHIA A. EWERS

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