

CARRYBACK ARM ADDENDUM

NOTE: This form is used by a buyer's agent when preparing a purchase agreement, or by a seller's agent on a counteroffer, for property other than one-to-four unit residential property the buyer is to occupy, as an addendum calling for the seller to carryback a note with an adjustable interest rate to finance the price paid by the buyer.

Recommended for use with **RPI** Form 150 through 159. Not for use by private party on owner-occupied, one-to-four unit residential property. [California Civil Code §1916.7]

DATE: _____, 20____, at _____, California.
Items left blank or unchecked are not applicable.

FACTS:

1. This is an addendum to the following agreement: Purchase agreement, Option, Counteroffer, Escrow,
1.1 of the same date, or dated _____, 20____, at _____, California,
1.2 entered into by _____,
1.3 regarding real estate referred to as _____.

TERMS: Buyer to pay the purchase price as follows:

2. Cash down payment through escrow, including deposits, in the amount of.....\$ _____
2.1 Other consideration to be paid through escrow.....\$ _____
3. Buyer to obtain a first, or second, trust deed loan in the amount of.....\$ _____
payable approximately \$_____ monthly for a period of _____ years,
interest on closing not to exceed _____%, ARM _____.
4. Take title subject to, or Assume, an existing first trust deed note held by _____
with an unpaid principal balance of.....\$ _____
payable \$_____ monthly, including interest not exceeding _____%,
 ARM, plus a monthly tax/insurance impound payments.
4.1 At closing, loan balance differences per beneficiary statement(s) to be adjusted into:
 cash, carryback note, or sales price. [See **RPI** Form 415]
4.2 The impound account to be transferred: charged, or without charge, to Buyer.
5. Take title subject to, or Assume, an existing second trust deed note held by _____
with an unpaid principal balance of.....\$ _____
payable \$_____ monthly, including interest not exceeding _____%,
 ARM due _____, 20_____.
6. Assume a bond or assessment lien of record in the amount of.....\$ _____
7. Assume a solar bond lien with an unpaid principal balance of.....\$ _____
8. An ARM Note for the balance of the purchase price in the amount of.....\$ _____
to be executed by Buyer in favor of Seller and secured by a trust deed on the property
junior to any above referenced financing, payable monthly, or more, amortized over _____
years, beginning on the first day of the month after closing, including interest from closing at
the initial yearly rate of _____% for _____ months, and thereafter at the note rate
adjusted every _____ months based on a margin of _____% over the 11th District
cost-of-funds, or _____, with a life-of-loan ceiling rate of _____% and a floor
rate of _____%, due and payable _____. [See **RPI** Form 433]
8.1 This note and trust deed to contain provisions to be provided by Seller for:
 due-on-sale, prepayment penalty, late charges, _____.
8.2 Loan Purpose Statement is attached. [See **RPI** Form 202-2]
8.3 Financial Disclosure Statement is attached as an addendum. [See **RPI** Form 300]
8.4 Buyer to hand Seller a completed credit application on acceptance. [See **RPI** Form
302] Seller may terminate the agreement within _____ days of acceptance by
delivering to Buyer, Buyer's Broker or Escrow written Notice of Cancellation based on
Seller's disapproval of Buyer's credit. [See **RPI** Form 183]
9. **Total Purchase Price is**.....\$ _____

I agree to the terms stated above.

Date: _____, 20____

Buyer: _____

Buyer: _____

I agree to the terms stated above.

Date: _____, 20____

Seller: _____

Seller: _____