



LOAN SERVICING AGREEMENT

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

DATE: _____, 20____, at _____, California.

Account No. _____

Items left blank or unchecked are not applicable.

FACTS:

1. Broker hereby acknowledges receipt of a Note, dated _____, and secured directly or indirectly by real estate, executed by _____, as the Payor, in favor of _____, as the Payee, in the face amount of \$ _____, payable in installments of \$ _____, or more, on the _____ day of every month quarter year, including _____% interest, with a final/balloon payment on _____, 20____, in the amount of \$ _____.
2. The Note's unpaid balance is \$ _____.
 - 2.1 Interest is paid to _____, 20_____.
 - 2.2 The next installment is due _____, 20_____.
 - 2.3 A final/balloon payment is due _____, 20_____.
3. The Note or trust deed contains provisions for:
 - Prepayment penalty of _____;
 - Late charge billing of \$ _____ for each payment received after a _____ day grace period.
4. The name(s) of the Holder(s) of the Note is/are _____.
5. Broker to collect and disburse on behalf of Holders all payments voluntarily made by Payor on the Note.
6. The name and address of the current Payor is _____.

DISPOSITION OF COLLECTED FUNDS:

7. Broker to accept payments made under the Note and promptly deposit them into a trust account on behalf of Holders.
 - 7.1 The first payment received under this agreement shall be held in the trust account until termination of this agreement as a reserve for any back charge for payments received and deposited.
 - 7.2 Within 25 days after receipt of a payment, Broker to disburse to Holders an amount equal to the payment received, less the service fee described below, less the following disbursements to be made by Broker _____.
8. Upon receipt of each payment, Broker will send Holders an accounting of the receipt, its allocation to interest and principal, taxes, insurance and late charges as applicable.

TRUST ACCOUNT:

9. Broker will deposit payments on the Note into Broker's trust account, or a separate trust account for Holders, maintained with _____ at the _____ branch.
 - 9.1 This account shall be non-interest bearing, or interest bearing.
 - a. If interest-bearing, see attached statement regarding the account. [See **ft** Form 535]
 - 9.2 On termination of this agreement, Broker will return to Holders all remaining trust funds.
 - 9.3 Should Payor's check received for a payment be dishonored and Broker advance his funds to cover the payment, Broker may recover his funds from the trust account on receipt of the payment from Payor.

TERMINATION:

10. This agreement may be terminated at any time by either Broker or Holders.
11. Broker may terminate this agreement by returning to Holders, by registered mail, the Note and any funds held in trust on behalf of Holders, less any service fees owed to Broker.
12. Holders may terminate this agreement by mailing, by registered mail, a notice of termination to Broker.
 - 12.1 Upon Broker's receipt of Holders' termination, Broker shall immediately mail to Holders, by registered mail, the Note and any funds held in trust on behalf of Holders, less any service fees owed to Broker.
 - 12.2 After termination, any payments on the Note received by Broker shall be immediately forwarded to Holders.

COMPENSATION:

13. Broker to disburse to himself, from the receipts of each scheduled installment received on the Note, a service fee of \$ _____, or _____% of the scheduled installment.

13.1 Broker to retain any late charges collected.

13.2 Broker to retain any prepayment penalty collected.

SPECIAL INSTRUCTIONS:

14. Broker will promptly notify Holders if any payment under the Note:

14.1 is not received within _____ days after it is due;

14.2 is greater or less than the amount due.

14.3 is from a source other than the Payor on the note.

15. Broker undertakes no duty to make or request any notice, demand, protest, notice of protest, suit, action, probate or bankruptcy claim, statutes of limitations, insurance, taxes, assessments or liens relating to the Note and trust deed on collection not stated in this agreement.

16. Broker to record a Request for Notice of Default, pursuant to California Civil Code §2924d, with the proper county recorder with respect to each deed of trust encumbering property securing Holders' Note, on behalf of each Holder, designating Broker's address as the address for delivery of notice. [See ft Form 412]

16.1 Broker to promptly notify Holders of any default on any of the trust deeds encumbering the property securing Holders' note.

17. Holders to supply Broker with a copy of the title insurance policy or report obtained by Holders on the trust deed securing this Note.

18. Broker to promptly deliver to each Holder a copy of:

18.1 Any notice of default (NOD) recorded on behalf of the Holders under their trust deeds.

18.2 Any notice of trustee's sale recorded on behalf of the Holders under their trust deeds.

18.3 Any request for reconveyance of the Holders' trust deed received by Broker.

19. _____

I agree to render services on the terms stated above.

Date: _____, 20____

Broker's Name: _____

Broker's DRE Identification #: _____

Agent's Name: _____

Agent's DRE Identification #: _____

Signature: _____

Is the agent of: Buyer exclusively.
 Both Seller and Buyer.

Address: _____

Phone: _____ Cell _____

Fax: _____

Email: _____

I agree to employ Broker on the terms stated above.

See attached Signature Page Addendum. [ft Form 251]

Date: _____, 20____

Holder: _____

Signature: _____

Holder: _____

Signature: _____

Address: _____

Phone: _____ Cell _____

Fax: _____

Email: _____

TO BE EXECUTED ON TERMINATION OF AGREEMENT:

I hereby acknowledge receipt of the above-described document(s) and sums collected by Broker.

Date: _____, 20____ Holder: _____