

RIGHT OF FIRST REFUSAL TO BUY NOTE

NOTE: This form is used by an agent of a property owner or buyer, or an escrow officer when originating a mortgage with a lender or carryback seller, to grant the owner/buyer a right of first refusal to purchase the note and trust deed.

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

Items left blank or unchecked are not applicable.

FACTS:

1. This is an addendum to a promissory note
 - 1.1 of same date, or dated _____, 20_____, at _____, California,
 - 1.2 entered into by _____, as the Payor,
 - 1.3 in favor of _____, as the Payee, and
 - 1.4 secured by a trust deed on real estate referred to as _____.

AGREEMENT:

2. In addition to the terms of the above referenced Note and Trust Deed, Payor agrees to the following:

Right of first refusal to buy:

3. Payee hereby grants Payor a right of first refusal to purchase the Note and Trust Deed.
4. If Payee decides to sell an interest in the Note and Trust Deed, Payee is to notify Payor of the terms on which Payee is willing to sell and assign the Note and Trust Deed.
 - 4.1 Payor has the option, for a period of _____ days after receiving notice, to purchase the Note and Trust Deed on the terms stated in the notice.
 - 4.2 If Payor fails to exercise the option within the option period, Payee has the right to sell the Note and Trust Deed to a third party on the same terms stated in the notice to Payor.
 - 4.3 Any sale on different terms reinstates the right of first refusal.
5. If the Note and Trust Deed is not sold and assigned within six months after Payor's receipt of notice, the right of first refusal is reinstated.
6. _____

Payor: I agree to the terms stated above.

Date: _____, 20_____
Payor's Name _____

Signature _____
Payor's Name _____

Signature _____

Payee: I agree to the terms stated above.

Date: _____, 20_____
Payee's Name _____

Signature _____
Payee's Name _____

Signature _____