



GUARANTEE AGREEMENT

For Promissory Note

Prepared by: Agent _____ Phone _____
Broker _____ Email _____

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

Items left blank or unchecked are not applicable.

1. FACTS:

- This Guarantee Agreement, called Guarantee, is entered into by
- 1.1 _____, as the Guarantor,
- 1.2 and _____, as the Creditor,
- 1.3 regarding a Note in the principal sum of \$_____, dated _____,
- 1.4 executed by _____, as the Debtor,
- in favor of Creditor, and
- 1.5 secured by a first, or second, trust deed and assignment of rents of the same date executed by Debtor as the Trustor, in which Creditor is named as the Beneficiary,
- 1.6 encumbering real estate referred to as _____.
- 1.7 The Note is accepted by Creditor in reliance on this Guarantee and the financial statements provided by Guarantor.

2. CREDITOR AGREES:

- 2.1 To notify Guarantor of any foreclosure by Creditor against real estate securing the note as provided in Calif. Civil Code §2924b(c).
- 2.2 To notify Guarantor of delinquencies in Debtor's payments under the note as provided in Calif Civil Code §2924e(b).
- 2.3 To apply in any manner and in its sole discretion any payments or recoveries from Debtor or from Guarantor to the indebtedness of Debtor.
- 2.4 To first credit any recovery by Creditor from any other Guarantor to that portion of the indebtedness of Debtor to Creditor that exceeds the maximum liability under this Guarantee.

3. GENERAL PROVISIONS:

- 3.1 Any communication or notice under this Guarantee is to be in writing and is effective only if delivered by personal service or mailed by registered or certified mail, postage-prepaid and return receipt requested, except as controlled by sections 2.1 and 2.2 of this agreement.
- 3.2 This Guarantee is binding on Guarantor, his successor and assigns, and inures to the benefit of Creditor and its successors and assigns.
- 3.3 No provision of this Guarantee or right of Creditor can be waived, nor can Guarantor be released from his obligations, except in writing signed by Creditor.
- 3.4 If Guarantor is a corporation, partnership or Limited Liability Company (LLC), each individual executing this Guarantee on behalf of Guarantor represents and warrants he is duly authorized to execute this Guarantee on its behalf.
- 3.5 In any action to enforce this agreement, the prevailing party shall receive attorney fees.
- 3.6 This Guarantee will be governed by California law.

4. GUARANTOR AGREES:

- 4.1 To guarantee to Creditor payment in full, on demand, of all Debtor's monetary obligations, including any future advances and any refund to Debtor by Creditor of any payment received by Creditor on the guaranteed debt, owed under the Note, trust deed and assignment of rents, and any other security agreement, collateral assignments of leases or any other present or future agreement securing performance of the Note.
- 4.2 To continue liability under this Guarantee, notwithstanding:
 - a. Any modification of the Note;
 - b. Any waiver or failure to enforce the Note or related security devices;
 - c. Any release or modification of any security for the Note, including other guarantees for performance of the Note;
 - d. Any unenforceability of part or all of the provisions of the Note and related security devices;
 - e. Any future advances made by Creditor under the Note and trust deed, without notice from Creditor or further authorization from Guarantor; or
 - f. Any transfer or release of all or a portion of any security for the Note.

- 4.3 To file all claims against Debtor in bankruptcy or other proceeding on any indebtedness of Debtor to the Guarantor, and to assign to Creditor all Guarantor's rights on any such indebtedness. If Guarantor fails to file any claim, Creditor is authorized to do so in the name of Guarantor or as Guarantor's attorney-in-fact.
- 4.4 To subordinate any of Guarantor's claims against Debtor to the Note obligations of Debtor to Creditor.
- 4.5 The Guarantee is secured by a trust deed. [See **ft** Form 451]

5. GUARANTOR WAIVES:

- 5.1 All right of subrogation to Creditor's rights against Debtor or to any security for the Note.
- 5.2 All notices to Guarantor or other persons of the creation, modification, renewal or accrual of any obligations under the Note and security devices, or notice of any other related manner.
- 5.3 Any failure to timely enforce the Note and trust deed.
- 5.4 Any statute of limitations.
- 5.5 Any duty of Creditor to disclose to Guarantor any facts known or discovered about Debtor which materially increase Guarantor's risks of liability.
- 5.6 Any circumstances which constitute a legal or equitable discharge of Guarantor.
- 5.7 The right to require Creditor to first proceed against Debtor, to foreclose any lien on any real or personal property to enforce the note, to pursue any remedy or to enforce any right before proceeding on this Guarantee.
- 5.8 Any Debtor defenses to Creditor's rights to collect on the Note or to Creditor's exercise of any of its rights under the Note, which Debtor defenses shall not constitute a legal or equitable discharge of Guarantor.

6. OTHER:

I agree to the terms stated above.

Date: _____, 20____

Creditor's Signature: _____

Creditor's Signature: _____

Address: _____

Phone: _____

Cell: _____

Fax: _____

Email: _____

I agree to the terms stated above.

Date: _____, 20____

Guarantor's Signature: _____

Guarantor's Signature: _____

Address: _____

Phone: _____

Cell: _____

Fax: _____

Email: _____