



TRUST DEED HOLDER REPRESENTATION AGREEMENT

Exclusive Right to Sell a Note

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: This form is used by a trust deed broker when entering into the employment of a holder of a trust deed note as their exclusive agent for a fixed period of time, to locate an investor and negotiate the terms for the sale of the note.

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

Items left blank or unchecked are not applicable.

1. RETAINER PERIOD:

1.1 Holder retains and grants to Broker the exclusive authorization to arrange the sale of the Note described in this agreement, for the period beginning on _____, 20____ and terminating on _____, 20____.

1.2 This agreement is comprised of this page and _____ pages of addenda/attachments.

2. BROKER'S OBLIGATIONS:

2.1 Broker to use diligence in the performance of this employment.

2.2 Broker presently or in the future represents holders of comparable trust deed notes or represent Buyers seeking comparable trust deed notes during the retainer period. Thus, a conflict of interest exists to the extent Broker's time is required to fulfill the fiduciary duty owed to others Broker now does or will represent.

3. BROKERAGE FEE:

NOTICE: The amount or rate of real estate fees is not fixed by law. They are set by each Broker individually and may be negotiable between Client and Broker.

3.1 Holder to pay Broker ☐ _____% of the price received, or ☐ _____, WHEN:

- a. Anyone procures a buyer who during the retainer period acquires, or negotiates to acquire and later acquires, the trust deed note on terms substantially the same as the type described below, or any other terms acceptable to Holder;
- b. The Note is withdrawn from sale or otherwise made unmarketable by Holder during the retainer period;
- c. Holder terminates this employment of Broker without legal justification during the retainer period;
- d. Within one year after termination of this agreement, Holder or their agent commences negotiations which later result in a transaction contemplated by this agreement regarding a prospective buyer with whom Broker negotiated during the retainer period. Broker to identify prospective buyers by written notice delivered personally or electronically, or mailed to Holder within 21 days after termination of this agreement [See **RPI** Form 122]; or
- e. Holder collaterally assigns or pledges the Note as security for a new loan during the retainer period or the period and conditions stated in Section 3.1(d). [See **RPI** Form 438 and 446]

3.2 When this agreement terminates without Holder becoming obligated to pay Broker a fee, Holder to pay Broker the sum of \$_____ per hour of time accounted for by Broker, not to exceed \$_____.

4. SALE TERMS:

4.1 Sale price of the trust deed Note is \$_____.

4.2 Annual yield on the sales price over the life of the Note is _____%.

4.3 The Note is dated _____ in the original amount of \$_____ with a principal balance \$_____ payable on the _____ day of each ☐ month, or _____, in installments of \$_____ at an interest rate of _____% per annum ☐ fixed, or ☐ ARM type _____, with a final/balloon payment due _____, 20____, in the amount of \$_____.

4.4 Payment status _____

4.5 Due-on-sale provision _____

4.6 Late charge of _____ on payments received _____ days or more after date due.

4.7 Prepayment penalty _____

4.8 Priority of trust deed _____

5. REAL ESTATE:

5.1 Real estate securing the note is referred to as _____

Address _____

6. SENIOR ENCUMBRANCES:

Conditions of trust deeds securing encumbrances which are senior to the note are:

	First Trust Deed	Second Trust Deed
Original balance:	\$ _____	\$ _____
Current balance:	\$ _____	\$ _____
Interest rate:	_____ % <input type="checkbox"/> ARM	_____ % <input type="checkbox"/> ARM
	Type _____	Type _____
Monthly payments:	\$ _____	\$ _____
Due date:	_____, 20____	_____, 20____
Balloon payment:	\$ _____	\$ _____
Payment Status:	_____	_____

7. PERSONAL PROPERTY:

7.1 Personal property included as additional security to the real estate is referred to as _____

8. GENERAL PROVISIONS:

- 8.1 Broker is authorized to advertise the Note for sale, inspect the property's condition, verify any operating income and expenses, and publish and disseminate information to meet the objectives of this employment.
- 8.2 Holder authorizes Broker to divide fees earned in a transaction with other brokers.
- 8.3 Broker is authorized to accept, on behalf of any buyer, an offer and deposit.
- 8.4 Offers to purchase received by Broker may be submitted to Holder personally or electronically, or by USPS postage-prepaid mail.
- 8.5 The prevailing party in any action on a dispute is entitled to attorney fees and costs, unless they file an action without first offering to enter into mediation to resolve the dispute.
- 8.6 This representation agreement is governed by California law.

I agree to employ Broker on the terms stated above.

☐ See attached Signature Page Addendum. [RPI Form 251]

Date: _____, 20____

Holder's Name: _____

Signature: _____

Address: _____

Phone: _____ Cell: _____

Fax: _____

Email: _____

I agree to render services on the terms stated above.

Date: _____, 20____

Broker's Name: _____

Broker's DRE #: _____

Agent's Name: _____

Agent's DRE #: _____

Signature: _____

Address: _____

Phone: _____ Cell: _____

Fax: _____

Email: _____