



AGREEMENT TO MODIFY A PROMISSORY NOTE

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: This form is used by a mortgage lender, their servicing agent or a broker when arranging the modification of the mortgage note, to set forth the terms sought in the modification effort.

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

FACTS:

1. Creditor is the holder of a Note dated _____, in the face amount of \$_____, executed by _____, as the Payor, in favor of _____, as the Payee.

1.1 The Note has a remaining principal balance of \$_____, with interest paid through the ____ day of _____, 20____.

1.2 Unpaid late charges, due and not included in the principal, equal \$_____.

1.3 Advances unpaid, due and not included in principal, equal \$_____.

2. The Note is secured by a trust deed of the same date recorded on _____, as Instrument No. _____, Records of _____ County, California, executed by _____, as the Trustor, in which _____ is the Beneficiary.

2.1 The real estate securing the Note under the trust deed lien is referred to as _____
Assessor's parcel number _____.

2.2 The Note is additionally secured by a trust deed or UCC-1 on other property described as _____.

2.3 Impound account held by Beneficiary for property taxes and insurance has a balance of \$_____.

2.4 The name of the Property Owner of the secured real estate is _____.

3. The trust deed securing the Note is subordinate to the following senior note and trust deed

3.1 recorded on _____, as Instrument No. _____, records of _____ County, California, executed by _____, as the Trustor, in which _____ is the Beneficiary, securing a note in the face amount of \$_____, with an unpaid balance of \$_____, principal and interest payable \$_____ monthly, including _____ % interest, ARM, type _____, all due and payable _____, 20____.

3.2 See attached addendum for further senior encumbrances.

4. The trust deed securing the Note has priority over the following junior note and trust deed

4.1 recorded on _____, as Instrument No. _____, records of _____ County, California, executed by _____, as the Trustor, in which _____ is the Beneficiary, securing a note in the face amount of \$_____, with an unpaid balance of \$_____, principal and interest payable \$_____ monthly, including _____ % interest, ARM, type _____, all due and payable _____, 20____.

4.2 See attached addendum for further junior liens.

TERMS:

5. The Note is to be modified as follows:

5.1 Interest on the unpaid principal to be at the annual rate of _____% commencing _____, 20____.

5.2 Monthly payments will be \$_____, commencing with the month of _____, 20____.

5.3 The remaining principal balance to be due and payable _____, 20____.

5.4 **Impounds:** The Property Owner, with the payment of each Note installment, to deposit with Creditor one-twelfth (1/12) of the annual requirement for the payment of taxes and fire insurance. An advance deposit for such payment to be made to Creditor on modification in the amount of \$_____.

6. See attached addendum for additional modifications of the Note and trust deed. [See RPI Form 250]

7. Property Owner to deliver additional consideration to Creditor in the form of:

- 7.1 The Buyer of the secured property is to assume the Note. [See RPI Form 431]
- 7.2 Out-of-pocket costs incurred by Creditor in the amount of \$_____.
- 7.3 Bonus or points in the amount of \$_____.
- 7.4 Payment toward reduction of the principal balance in the amount of \$_____.
- 7.5 Additional, or Substitute, security for the Note in the form of a trust deed on property described as _____, which will be junior to an existing trust deed securing a Note with an unpaid balance of \$_____, payable \$_____ monthly, or more, including interest of _____%, all due _____, 20_____.
- 7.6 Property Owner to provide a Request for Notice of Default and Notice of Delinquency to senior encumbrancers. [See RPI Form 412]
- 7.7 See attached addendum for additional consideration. [See RPI Form 250]

AND IT IS FURTHER AGREED:

- 8. This offer will be deemed revoked unless accepted in writing within _____ days after date and acceptance is personally delivered to Offeror or Offeror's Agent within the period.
- 9. This transaction to be escrowed with _____.
Signed instructions to be delivered to escrow as soon as reasonably possible after acceptance.
- 10. Escrow to be handed all instruments needed to close escrow on or before _____, 20_____, or within _____ days after acceptance. Property Owner to pay all escrow and title company charges.
- 11. The Note and trust deed are to be insured by _____ Title Insurance Company under:
 - 11.1 A CLTA form policy, or ALTA form policy, of title insurance; or
 - 11.2 An endorsement of the existing policy, held by Creditor; and
 - a. showing title subject to property taxes, CC&Rs, and underlying trust deeds in §3;
 - b. with a specific subordination agreement to be obtained from all junior encumbrances listed in §4; and
 - c. paid for by Property Owner.
- 12. Property Owner to obtain beneficiary statement(s) on underlying encumbrance(s) showing all payments to be current and confirming their terms and unpaid balance(s). [See RPI Form 415]
- 13. Creditor to incur no costs or charges under this agreement or the modification of the Note.

14. Brokerage Fee:

Property Owner on closing to pay Broker _____ a fee of \$_____.

Broker's Name: _____ Broker's CalBRE Identification #: _____

Agent's Name: _____ Agent's CalBRE Identification #: _____

Signature: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

I agree to the terms stated above.

Date: _____, 20_____

Creditor's Name: _____

Creditor's Name: _____

Signature: _____

Signature: _____

I agree to the terms stated above.

Date: _____, 20_____

Property Owner's Name: _____

Property Owner's Name: _____

Signature: _____

Signature: _____