



## AGREEMENT TO MODIFY A PROMISSORY NOTE

Prepared by: Agent \_\_\_\_\_  
Broker \_\_\_\_\_

Phone \_\_\_\_\_  
Email \_\_\_\_\_

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 \_\_\_\_\_, ☐ plus impounds, 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 shall 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 ( $\frac{1}{12}$ ) 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 **ft** 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 **ft** 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 **ft** Form 412]
- 7.7 ☐ See attached addendum for additional consideration. [See **ft** 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
- 11.3 Showing title subject to property taxes, CC&Rs, and underlying trust deeds in §3;
- 11.4 With a specific subordination agreement to be obtained from all junior encumbrances listed in §4; and
- 11.5 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).
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 DRE Identification #: \_\_\_\_\_

Agent's Name: \_\_\_\_\_ Agent's DRE 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: \_\_\_\_\_