

ALL-INCLUSIVE NOTE SECURED BY ALL-INCLUSIVE DEED OF TRUST

\$ \_\_\_\_\_

Property Address: \_\_\_\_\_

Date: \_\_\_\_\_

I/We promise to pay to \_\_\_\_\_, or order, at place where holder designates the sum of \_\_\_\_\_ Dollars, (\$ \_\_\_\_\_) with interest thereon at \_\_\_\_\_ percent ( \_\_\_\_\_ %) per annum, commencing on date endorsed. Principal and interest payable in monthly installments of \_\_\_\_\_ Dollars, (\$ \_\_\_\_\_), or more, on the \_\_\_\_\_ day of each and every month, beginning on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ and continuing monthly thereafter until \_\_\_\_\_, when the then remaining balance of principal and interest shall become due and payable. **Said unpaid principal balance is inclusive of the first trust deed loan balance.**

< Strike out the following paragraph if not applicable>The interest rate and payment amount set forth herein will adjust pursuant to the terms and conditions of the underlying Adjustable Rate Note dated \_\_\_\_\_ as security for a Deed of Trust of same date executed by \_\_\_\_\_, as Trustor, in which \_\_\_\_\_ is Trustee, and \_\_\_\_\_ is Beneficiary, a copy of which is attached hereto and made a part hereof as Exhibit "A".

< Strike out any of the following recitals that do not apply AND/OR insert additional recitals here>In the event any installment due under this Note is not received by Beneficiary within 10 days of the date such installment is due, a late charge in an amount equal to 6% of such installment amount shall be due and payable.

In the event Trustor sells, conveys or alienates title to property, whether voluntarily or involuntarily, all sums then owing under this Note shall become immediately due and payable, at the option of the Holder(s) thereof.

This Note is subject to Section 2966 of the Civil Code, which provides that the holder of this Note shall give written notice to the Trustor, or his successor in interest, of prescribed information at least 90 days and not more than 150 days before any balloon payment is due.

In addition to the monthly installments set forth herein, this Note requires monthly impound payments according to the first trust deed holder's requirements, which could vary from time to time. Current monthly impounds are \$<->. Any deficit in the impound account shall be the responsibility of the Trustor herein.

The amount of this Note includes the unpaid balances of the following Deed(s) of Trust and Notes:

- 1. Note secured by First Deed of Trust in favor of \_\_\_\_\_, in the original amount of \$ \_\_\_\_\_, dated \_\_\_\_\_.
- 2. Note secured by Second Deed of Trust in favor of \_\_\_\_\_, in the original amount of \$ \_\_\_\_\_, dated \_\_\_\_\_.

At all times the equity of the Beneficiary of this Note shall be the difference between the unpaid balance of this Note and the total unpaid balance of the included Senior Note(s) secured by the Senior Deed(s) of Trust now of record. Any prepayment of all or any portion of the unpaid balance permitted under the terms of this Note may be made upon the written requirement by Trustor that holder prepay a proportionate amount of the unpaid balance of the included Notes, if such included Notes can be prepaid, provided however that any such obligation of holder shall be conditioned upon the payment by Trustors of any additional amount required by the holders of the included Notes as a penalty or consideration for such prepayment.

The Trustor shall pay to Beneficiary in addition to the installments above set forth such additional amounts as may be required by the holders of the included Notes for tax or insurance premium impound accounts. Such additional amounts received by the holder hereof shall be paid to the holder of the included Note maintaining such impound account. Any refund to the holder hereof or application of any amount from such impound account upon the principal balance or accrued interest of such included Note, shall be refunded to the Trustor or credited upon this Note in like amount and fashion.

Should the holder fail to pay any installments when due upon any included Notes as provided herein, Trustor may make such payments directly to the holder of the included Notes, and the amount shall be credited to the next following installment or installments due under this Note. Any reduction in the unpaid principal balance or payment of accrued interest of the included Notes, other than by payment thereupon by holder, (such as by payment from an award in eminent domain, or of proceeds of insurance), shall be credited to the unpaid balance and interest hereon in like amount.

Should default be made in the payment by Trustor when due, the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this Note. Upon any such default by Trustor, any payment made by the holder to prevent or cure a default in the included Deed of Trust shall be added to the then unpaid balance of this Note except such amount that is credited upon the principal balance of such included Note. At any of the times hereinbefore stated the privilege is reserved to pay more than the sum due.

Payments shall be in lawful money of the United States, and when received by the holder shall first be applied to accrued interest and then upon the principal balance of this Note, and shall thereupon be paid upon such included Notes in the amount of such installments of the included Notes due or becoming due prior to the next installment date hereon.

Should suit be commenced to collect this Note or any portion thereof, such sums as the Court may deem reasonable shall be added hereto as attorney's fees. Principal and interest payable in lawful money of the United States of America. This Note is secured by a certain ALL-INCLUSIVE DEED OF TRUST; ASSIGNMENT OF RENTS; AND REQUEST FOR NOTICE to \_\_\_\_\_ as TRUSTEE.

\_\_\_\_\_

\_\_\_\_\_

The undersigned payee agrees that so long as there is no uncured default by the maker of this Note in the payment obligations set forth herein or in the obligations secured by the Deed of Trust securing this Note:

1. Beneficiary hereunder shall be responsible for any charges or fees required at time of payoff of the underlying loans described above including but not limited to: prepayment penalties, reconveyance fees, recording charges and Beneficiary fees.

2. To pay the installments of principal and interest as they become due on the included Note or Notes; and

3. To secure and cause to have recorded a reconveyance of the included Deed or Deeds of Trust prior to or upon the payment in full of the principal balance and interest accrued upon this Note.

\_\_\_\_\_

\_\_\_\_\_

**(IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS ALL INCLUSIVE NOTE,  
THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT TO SAME)**

Interest adjusted to accrue from \_\_\_\_\_  
through \_\_\_\_\_