

**DO NOT DESTROY THIS NOTE**

*When paid, this note and the Deed of Trust must be surrendered to Trustee for cancellation, before reconveyance will be made.*

**ALL INCLUSIVE PURCHASE MONEY PROMISSORY NOTE SECURED BY  
ALL INCLUSIVE PURCHASE MONEY DEED OF TRUST  
(STRAIGHT NOTE)**

\$ \_\_\_\_\_, California \_\_\_\_\_, 1999

\_\_\_\_\_ after date,

for value received, I promise to pay to \_\_\_\_\_

\_\_\_\_\_ or order,

at \_\_\_\_\_ the sum of

\_\_\_\_\_ DOLLARS,

with interest from \_\_\_\_\_, until paid at the rate of \_\_\_\_\_ per cent per

annum, payable \_\_\_\_\_.

Each payment shall be applied first on the interest then due and the remainder on principal; and interest shall thereupon cease upon the principal so credited.

The total principal amount of this Note includes the unpaid principal balance of the promissory note(s) ("Underlying Note(s)") secured by Deed(s) of Trust, more particularly described as follows:

1. (A) Promissory Note:

Maker:  
Payee:  
Original Amount:  
Date:

(B) Deed of Trust:

Beneficiary:  
Original Amount:  
Recordation Date:  
Document No.    Book    Page  
Place of Recordation:

County, California

2. (A) Promissory Note:

Maker:  
Payee:  
Original Amount:  
Date:

(B) Deed of Trust:

Beneficiary:  
Original Amount:  
Recordation Date:  
Document No.    Book    Page  
Place of Recordation:

County, California

INITIALS: \_\_\_\_\_

By Payee's acceptance of this Note, Payee covenants and agrees that, provided Maker is not delinquent or in default under the terms of this Note, Payee shall pay all installments of principal and interest which shall hereafter become due pursuant to the provisions of the Underlying Note(s) as and when the same become due and payable. In the event Maker shall be delinquent or in default under the terms of this Note, Payee shall not be obligated to make any payments required by the terms of the Underlying Note(s) until such delinquency or default is cured. In the event Payee fails to timely pay any installment of principal or interest on the Underlying Note(s) at the time when Maker is not delinquent or in default hereunder, Maker may, at Maker's option, make such payments directly to the holder of such Underlying Note(s) in which event Maker shall be entitled to a credit against the next installment(s) of principal and interest due under the terms of this Note equal to the amount so paid and including, without limitation, any penalty, charges and expenses paid by Maker to the holder of the Underlying Note(s) on account of Payee failing to make such payment. The obligations of Payee hereunder shall terminate upon the account of Payee failing to make such payment. The obligations of Payee hereunder shall terminate upon the earliest of (i) foreclosure of the lien of the All-Inclusive Purchase Money Deed of Trust securing this Note, or (ii) cancellation of this Note and reconveyance of the All-Inclusive Purchase Money Deed of Trust securing same.

Should Maker be delinquent or in default under the terms of this Note, and Payee consequently incurs any penalties, charges or other expenses on account of the Underlying Note(s) during the period of such delinquency or default, the amount of such penalties, charges and expenses shall be immediately added to the principal amount of this Note and shall be immediately payable by Maker to Payee and after said breach, said obligation shall continue to accrue interest at the rate of \_\_\_\_\_ per cent per annum.

Notwithstanding anything to the contrary herein contained, the right of Maker to prepay all or any portion of the principal of this Note is limited to the same extent as any limitation exists in the right to prepay the principal of the Underlying Note(s). If any prepayments of principal of this Note shall, by reason of the application of any portion thereof by Payee to the prepayment of principal of the Underlying Note(s) constitute such prepayment for which the holders of the Underlying Note(s) are entitled to receive a prepayment penalty or consideration, the amount of such prepayment penalty or consideration shall be paid by Maker to Payee upon demand, and any such amount shall not reduce the unpaid balance of principal or interest hereunder.

At any time when the total of the unpaid principal balance of this Note, accrued interest thereon, all other sums due pursuant to the terms hereof, and all sums advanced by Payee pursuant to the terms of the All-Inclusive Purchase Money Deed of Trust securing this Note, is equal to or less than the unpaid balance of principal and interest then due under the terms of the Underlying Note(s), Payee, at his option, shall cancel this Note and deliver same to Maker and execute a request for full reconveyance of the Deed of Trust securing this Note.

Should default be made by Maker in payment of any installments of principal, interest, or any other sums due hereunder, the whole sum of principal, interest and all other sums due from Maker hereunder, after first deducting therefrom all sums then due under the terms of the Underlying Note(s), shall become immediately due at the option of the holder of this Note. Principal, interest and all other sums due hereunder payable in lawful money of the United States. If action be instituted of this Note, I/We promise to pay such sums as the Court may fix as attorney's fees. This Note is secured by a ALL INCLUSIVE PURCHASE MONEY DEED OF TRUST to \_\_\_\_\_, as Trustee.

MAKER

\_\_\_\_\_

The undersigned hereby accept(s) the foregoing All-Inclusive Money Promissory Note and agree(s) to perform each and all of the terms thereof on the part of Payee to be performed.

Executed as of the date and place first above written.

PAYEE

\_\_\_\_\_

(THIS NOTE IS FOR USE ONLY IN PURCHASE MONEY TRANSACTIONS. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS NOTE, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.)