



Promissory Note & Truth-In-Lending Instructions

- Include Borrower's **NEW MAILING** address (page 3).
- Promissory Note to be **SIGNED** by the borrower at closing (page 4).
- Promissory Note to be **NOTARIZED** (page 4).
- Truth-In-Lending to be **SIGNED** by the borrower at closing (page 5).
- Keep a copy of the note for your records, and overnight the original to:
PMI Mortgage Insurance Co.
Attention: Subrogation Department
3003 Oak Road
Walnut Creek, CA 94597

Note: Please note we do not accept photocopies

If you have any questions please feel free to give us a call at (800) 685-4764.

Thank You



PROMISSORY NOTE

CREDITOR:
PMI Mortgage Insurance Co.("PMI")
3003 Oak Rd.
Walnut Creek, CA 94597
(800) 685-4764

BORROWER(S): <Borrower_1_Name>
<Borrower_2_Name>
PMI Certificate # or <Certificate Number>
Insured Loan ID
/Contract ID:
(the "Certificate")

PROMISE TO PAY. In partial mitigation of PMI's loss due to Borrower's mortgage default or imminent default and in consideration of PMI's approval of the pre-foreclosure sale or deed in lieu of foreclosure of Borrower's property located at <Subject Property Address> (the "Property"), Borrower agrees to pay the sum of <Alpha-numeric Promissory Note Amount> (\$<Numeric Promissory Note Amount>), (the "Principal Sum") to the order of PMI at its address set forth herein or such other address as PMI may designate, according to the following schedule:

Table with 5 columns: #, description of payment, amount (\$<payment amt>), frequency (each, beginning on / due on), and date (<date>).

Each payment will be due on the 15th day of each month. The final payment from Borrower shall be due on <Final Payment Due Date> (the "Maturity Date") and shall consist of the then remaining unpaid principal balance hereunder. This Note shall be null and void if the proposed pre-foreclosure sale or deed in lieu of foreclosure of the Property is not completed and/or if PMI does not experience a loss.

INTEREST ACCRUAL.

a. Ordinary Interest.

The Principal Sum shall bear interest at the annual rate of zero percent (0.00%), which corresponds to a daily accrual rate of zero (0.00%) unless and except as set forth below.

b. Default Interest.

Notwithstanding the foregoing, Borrower agrees that in the event of a Default, as set forth herein, the then current unpaid principal balance due under this Promissory Note (this "Note") will bear interest which shall accrue at the rate of ten percent (10%) per annum of the then outstanding unpaid principal balance hereunder or such lesser rate as limited by law. Interest accrual will commence on the first business day following the Maturity Date.

c. Accrual.

Interest shall accrue and be compounded daily, as a fraction of the corresponding annual accrual rate.

PREPAYMENT. Borrower may prepay this Note in full or in part at any time without penalty. Partial prepayments shall be applied to the last-scheduled installments in reverse chronological



order, starting with the final scheduled monthly installment. Prepayment of any amount shall not alter the Borrower's obligation to pay any installment when due, in the amount specified, as set forth above, unless such prepayment satisfies the then unpaid principal balance remaining due hereunder.

BORROWER'S DEFAULT.

- A. Each of the following events constitute a default hereunder (each, a "Default"):
- i. Borrower fails to make any scheduled payment due hereunder within fifteen (15) days after the payment due date; or
 - ii. PMI becomes aware that the Borrower misrepresented information or falsified documents which were material to PMI's decision to enter into this Agreement; or
 - iii. Borrower dies, becomes insolvent, or is legally unable to manage his/her own affairs; or
 - iv. Borrower fails to repay all amounts due by the Maturity Date; or
 - v. Borrower violates any provision of this Note; or
 - vi. Borrower sells or disposes of the collateral, if any, securing this Note.

REMEDIES. Upon Borrower's Default, PMI may, at its option and to the extent permitted by applicable law, take any of the following actions:

- a. Accelerate this Note and declare the entire unpaid principal balance then outstanding hereunder immediately due and payable. Upon so doing, the Maturity Date shall become the date of such Default, notwithstanding any provision to the contrary contained herein.
- b. Pursue any and all rights PMI may have to collect or otherwise recover amounts due pursuant to the loan insured by PMI pursuant to the Certificate (the "Loan"), including, but not limited to, seeking a deficiency judgment.
- c. Seek any other remedy at law or in equity to which it is entitled upon Borrower's Default.

Borrower agrees to reimburse PMI for all legal and administrative costs or fees incurred by PMI (including allocated costs and expenses of in-house attorneys and staff) to enforce, or collect amounts due under, this Note which result from Borrower's Default, whether or not any legal proceeding is commenced as a result of such Default.

WAIVERS. Borrower waives demand and presentment for payment, notice of non-payment or dishonor, notice of protest and protest of this Note, and agrees that its liability hereunder shall not be affected by any renewals, amendments or modifications of this Note, or extensions of the time of payment of all or any part of the amount owing hereunder at any time or times.

JOINT AND SEVERAL LIABILITY. If more than one person is obligated on this Note, their obligations and agreements under this Note shall be joint and several. Reference in this Note to "Borrower" shall include all persons who sign this Note.

CREDIT REPORTS. Borrower authorizes PMI to periodically obtain credit reports in respect of Borrower. PMI will be responsible for the cost of such reports.



PROMISSORY NOTE

MODIFICATION. This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and undertakings relating to the matters provided for herein. No provision of this Note shall be modified or limited except by a written agreement signed by all parties to this Note.

CONTROLLING LAW. This Note shall be governed by the laws of the state of the Borrower's residence as indicated herein without reference to conflict of laws provisions thereof which, but for this provision, would require the application of the law of any other jurisdiction.

PRE-PAYMENT DISCOUNT. At any time prior to the Maturity Date, the Borrower may satisfy this Note in full by paying eighty-five percent (85%) of the then unpaid principal balance due hereunder in a single lump sum which exceeds the amount of the then next scheduled installment due under the Note, in certified funds.

WAIVER OF ANTI-DEFICIENCY AND ONE-ACTION LAWS. To the extent permissible by applicable law, Borrower agrees to the following:

- a. Borrower expressly and irrevocably waives and renounces, and agrees not to plead or assert, any rights, privileges, benefits and defenses that may be available to Borrower for protection from the recovery of a deficiency or from the bringing of an action for the recovery of a debt, provided, however, that upon, and subject to, full satisfaction by Borrower of Borrower's obligations under this Note, PMI waives any right it may have to recover from Borrower the remaining balance due on the Loan and releases Borrower from any further obligation to PMI pursuant to the Loan; provided further, that PMI retains and reserves any and all rights PMI may have to collect or otherwise recover amounts due pursuant to the Loan (including, but not limited to, any right to obtain a deficiency judgment against Borrower) should a Default occur.
- b. Pending full settlement of Borrower's obligations under this Note, the parties hereto agree to toll all statutes of limitations applicable to any action for the recovery of any amounts due pursuant to the Loan (including, but not limited to, any statute of limitation applicable to an action to recover a deficiency).
- c. Borrower acknowledges having had an opportunity to consult with an attorney concerning the waiver contained in this paragraph before signing this Note and has either done so, or knowingly decided not to do so.
- d. Borrower now grants such waiver voluntarily with the intent of fully and finally extinguishing Borrower's rights under the anti-deficiency laws described in this paragraph.

CHANGE OF ADDRESS. Borrower shall notify PMI at the address listed herein, of any change of address within thirty (30) calendar days of such change.



PROMISSORY NOTE

NOTICES. All notices shall be considered received when mailed via registered first class mail or private express courier service, and sent to the following address:

If to PMI:
PMI Mortgage Insurance Co.
Attn: Subrogation Department
3003 Oak Rd.
Walnut Creek, CA 94597

If to Borrower:
< Borrower's NEW MAILING address>

NON-WAIVER. PMI, in its sole discretion, may assert or refuse to assert any right granted to it in this Note. Any forbearance or failure, refusal or delay in assertion of any right under this Note by PMI shall not constitute a waiver of such right.

SEVERABILITY. If it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that any term or provision hereof is invalid or unenforceable, (i) the remaining terms and provisions hereof shall be unimpaired and shall remain in full force and effect and (ii) the invalid or unenforceable provision or term shall be replaced by a term or provision that is valid and enforceable and that comes nearest to the intent of such invalid or unenforceable term or provision.

COUNTERPARTS. For the convenience of the parties, any number of counterparts of this Agreement may be executed by the parties hereto. Each such counterpart shall be, and shall be deemed to be, an original instrument, but all such counterparts taken together shall constitute one and the same Agreement.

ASSIGNMENT and DELEGATION. PMI may sell, transfer or assign its rights under this Note upon providing notice to Borrower. Borrower may not delegate any obligation under this Note to any third party, without prior written consent from PMI.

Name: <Borrower_1_Name>

Name: <Borrower_2_Name>

Date: <date>

Date: <date>

Notary Seal (required):

Notary Seal (required):

Attachment: Truth in Lending Disclosure



PROMISSORY NOTE

CREDITOR:
PMI Mortgage Insurance Co. ("PMI")
3003 Oak Rd.
Walnut Creek, CA 94597
(800) 685-4764

BORROWER(S): <Borrower_1_Name>
<Borrower_2_Name>
PMI Certificate # or
Insured Loan ID
/Contract ID:
(the "Certificate")
<Certificate Number>

Table with 3 columns: FINANCE CHARGE, AMOUNT FINANCED, TOTAL OF PAYMENTS. Includes values like \$ 0.00 and <Promissory Note Amount>.

Table titled 'Your Payment Schedule Will Be:' with columns: Number of Payments, Amount of Payments, When Payments are Due, Date.

See your contract documents for any additional information about nonpayment, default, and any required repayment in full before the scheduled maturity date.

I/we have received a copy of this disclosure.

Borrower Date Co-Borrower Date

[NOTE: This disclosure must appear apart from the other TILA disclosures]

ITEMIZATION OF AMOUNT FINANCED

1) Promissory Note amount partially mitigates PMI's loss due to Borrower's mortgage default and is also in consideration of pre-foreclosure sale or deed in lieu of foreclosure approval:
\$<Promissory Note Amount>.