

State of _____

DEED IN LIEU OF FORECLOSURE

This Deed in Lieu of Foreclosure Agreement (the "Agreement") is made and entered into as of as of the _____ day of _____, 20____, by and between _____ ("Borrower") and _____ ("Lender"), collectively referred to as the "Parties."

RECITALS

WHEREAS, Borrower is the owner of and holds fee simple title to certain real property located at _____ [Property address], (Check one):

and more particularly described as: _____ [Legal description of the property]

as more particularly described in Exhibit A attached hereto (the "Property");

WHEREAS, Borrower is indebted to Lender pursuant to the terms and conditions of a certain promissory note mortgage note loan agreement dated _____, 20____ in the original principal amount of \$ _____ (the "Note"), which is secured by a mortgage deed of trust dated _____, 20____ recorded in _____ [Name of county's recorder's office] as document no. _____ [Document/Instrument number] (the "Mortgage") encumbering the Property;

WHEREAS, Borrower has defaulted under the terms of the Note and Mortgage, and Lender has the right to foreclose its interest in the Property;

WHEREAS, Borrower and Lender have determined that it is in their mutual best interest to convey ownership of the Property from Borrower to Lender in full satisfaction of the debt secured by the Mortgage and in lieu of formal foreclosure proceedings;

NOW, THEREFORE, in consideration of the foregoing recitals, covenants, and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Conveyance of Property. Borrower hereby conveys, transfers, and assigns to Lender all of Borrower's right, title, and interest in and to the Property, free and clear of all liens, other than the Mortgage identified herein.

2. Satisfaction of Debt. Upon Lender's receipt and acceptance of the conveyance of the Property, Lender shall credit the outstanding balance of the Note and the Mortgage as paid in full, and shall release and discharge Borrower from any and all obligations and liabilities arising under the Note and Mortgage. Lender shall promptly file and record a satisfaction or release of the Mortgage and any such documents as may be necessary to cancel the underlying debt.

3. Representations and Warranties. Borrower represents and warrants to Lender as follows: (a) Borrower is the legal owner of the Property and has full authority to enter into this Agreement and to convey the Property to Lender; (b) the Property is free and clear of all liens and encumbrances, except as otherwise provided herein; (c) the Property is not subject to any bankruptcy, insolvency or other legal



proceedings; and (d) there are no leases, tenancies, or other occupancy agreements affecting the Property.

4. Closing. Borrower shall deliver possession of the Property to Lender [within [Number of days] of the effective date / on or before [Date] and the closing shall occur at a time and location acceptable to both Parties.

5. Closing Costs. Lender shall be responsible for payment of any and all costs, including closing costs, incurred in connection with the transfer and property taxes or fees. Borrower shall be responsible for payment of any and all costs associated with the delivery of possession of the Property to Lender.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of [State], without giving effect to the conflict of law principles.

7. Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable in whole or in part, the remaining provisions shall not be affected and shall continue to be valid, legal and enforceable as though the invalid, illegal or unenforceable parts had not been in this Agreement.

8. Entire Agreement. This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, among the Parties with respect to such subject matter.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

SIGNATURES

Borrower Signature

Borrower Name

Borrower Signature

Borrower Name

Lender Signature

Lender Name

Lender Signature

Lender Name



Witness Signature

Witness Name

Witness Signature

Witness Name

ACKNOWLEDGEMENT OF NOTARY PUBLIC

STATE OF _____,

COUNTY OF _____.

On this day, personally appeared before me, _____,
to me known to be the person(s) described in and who executed the within instrument, and acknowledged



that he/she signed the same as his/her voluntary act and deed, for the uses and purposes therein mentioned.

Witness my hand and official seal hereto affixed on this day of _____, 20_____.

Notary Public Signature

My commission expires on _____.



EXHIBIT A
LEGAL DESCRIPTION

