

LANGUAGE FOR A DEED IN LIEU OF FORECLOSURE

Add the following language to the deed in lieu of foreclosure (in the extra space below the legal description or on an attached page). If monetary consideration is being given in addition to the satisfaction of the indebtedness secured by the encumbrance, the amount received by the grantor should be set forth in the deed.

This deed is an absolute conveyance for a fair and adequate consideration, being the full satisfaction of all obligations secured by the deed of trust executed by _____, trustor, in favor of _____, beneficiary, recorded on _____ as Instrument No. _____, Official Records of _____ County, California, plus the additional payment of \$_____. Grantor declares that this conveyance is freely and fairly made, and that there are no agreements, oral or written, other than this deed between grantor and grantee with respect to the property conveyed by this deed. By accepting this deed, Grantee specifically intends that a merger of title shall not occur and that the deed of trust shall continue as a lien on the property until it is reconveyed.

This statement is made for the protection and benefit of the grantee, the grantee's successors and assigns, and all other parties hereafter dealing with or who may acquire an interest in the property, and for the benefit of all title insurance companies that insure title to the property.