

**SECURITY AGREEMENT**  
For Note Secured by Personal Property

**NOTE:** This form is used by a seller's agent or escrow officer when on a carryback sale the price includes the transfer of personal property which together with the property sold will be security for the carryback note, to grant the seller a security interest in the personal property. [See RPI Form 436-1 and 436-2]

**DATE:** \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_, California.  
*Items left blank or unchecked are not applicable.*

**FACTS:**

1. This agreement provides security for the payment of a promissory Note in the amount of \$\_\_\_\_\_,
  - 1.1  of same date, or dated \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_, California,
  - 1.2 executed by \_\_\_\_\_, as the Debtor,
  - 1.3 and \_\_\_\_\_, as the Creditor.
2. Debtor hereby grants to Creditor a security interest in the following personal property \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
3. The personal property is located on real estate referred to as \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
4. A UCC-1 financing statement will be executed concurrent with this agreement. [See RPI Form 436-1 and 436-2]
5. The Note is additionally secured by a trust deed entered into by the parties:
  - 5.1 dated \_\_\_\_\_, at \_\_\_\_\_, California,
  - 5.2 regarding real estate referred to as \_\_\_\_\_,
  - 5.3 recorded on \_\_\_\_\_, as document number \_\_\_\_\_,  
in the County of \_\_\_\_\_, California.
6. Should Debtor offer to sell, accept an offer to purchase, lease or encumber the personal property or their interest in the promissory Note, or remove the personal property from its location without Creditor's written consent, Creditor may call the promissory Note immediately due.
7. Debtor will maintain insurance on the personal property against risks of fire, theft, vandalism and other extended coverage risks in an amount sufficient to protect the promissory Note.
8. Any advances made by Creditor to protect the security from impairment, or for property taxes, insurance or defense of title, including reasonable costs and attorney fees, is to be reimbursed by Debtor on demand, and if not paid, will be added to the amount due on the promissory Note and be immediately payable.
9. On default under the promissory Note or this agreement, or any other security device or obligation affecting the Note or this agreement, Creditor may call the Note due.
10. On default, Creditor has all the remedies of a secured party under the California Commercial Code.

**I agree to the terms stated above.**

Debtor's Name: \_\_\_\_\_

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

Debtor's Signature: \_\_\_\_\_

Debtor's Signature: \_\_\_\_\_

**I agree to the terms stated above.**

Creditor's Name: \_\_\_\_\_

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

Creditor's Signature: \_\_\_\_\_

Creditor's Signature: \_\_\_\_\_