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PAYMENT GUARANTY

THIS PAYMENT GUARANTY ("Guaranty") is made on <f29>, by <f69><f70><f71><f72> (individually and collectively referred to as "Guarantor") for the benefit of <f200><f201><f202><f203> ("Lender"), and is made with reference to the following facts:

A. <f69><f70><f71><f72> ("Borrower"), proposes to borrow from Lender the principal sum of <f206> Dollars (\$<f20>) (the "Loan").

B. The Loan will be evidenced by a promissory note (the "Note") dated <f29>, and shall be secured by a Deed of Trust with Assignment of Rents (the "Deed of Trust") encumbering Borrower's interest in the real property described therein (the "Property").

C. Lender is unwilling to make the Loan based solely on the security offered by Borrower and Borrower's own credit-worthiness, unless individuals with a credit-worthiness comparable to that of Guarantor guaranty the Loan in accordance with the terms and conditions set forth below.

D. Guarantor has agreed to execute this Guaranty in order to guarantee to Lender repayment of the Loan pursuant to the terms of the Note and each Guarantor acknowledges that he or she is under-taking an independent obligation separate from that of Borrower to repay the Loan as provided below.

NOW, THEREFORE, in consideration of Lender's making the Loan and for other good and valuable consideration, Guarantor jointly, severally and unconditionally guarantees and agrees as follows:

1. **Guaranty.** Guarantor unconditionally guarantees and promises to pay to Lender or order, on demand, in lawful money of the United States, all amounts due under the Note (together with interest thereon and any and all other amounts which may become due pursuant to all the terms and conditions of the Note), and any amount advanced, disbursed, or which may become due pursuant to the Deed of Trust. Guarantor agrees and acknowledges that this Guaranty is a guaranty of payment and performance and not of collection. Guarantor's obligations under this Guaranty are irrevocable so long as any portion of the Loan remains unpaid.

2. **Independent Obligation.** Guarantor agrees that this Guaranty is separate, independent of and in addition to the obligations and undertakings of Borrower pursuant to the Note and Deed of Trust. Guarantor further agrees that a separate action or actions may be brought and prosecuted against Guarantor hereon whether or not action is brought against Borrower or whether or not Borrower be joined in any such action or actions and independent of any action at law or proceeding under the power of sale provision in the Deed of Trust. Guarantor waives the benefit of any statute of limitations affecting the liability of Guarantor hereunder or the enforcement hereof, and agrees that any repayment of the loan or any part thereof or other act which shall toll any statute of limitations applicable thereto shall similarly operate to toll such statute of limitations applicable to Guarantor's liability hereunder.

3. **Authority of Lender.** Guarantor authorizes Lender, without notice or demand and without affecting the liability of Guarantor hereunder, from time to time to (a) renew, extend, accelerate or otherwise change the terms of the Loan as set forth in the Note, or otherwise change the rate of interest thereon, or (b) release or substitute any one or more of the endorsers of the Note or any one or more Guarantor. Lender, without notice, may assign this Guaranty in whole or in part.

4. **Waivers.**

(a) Guarantor waives all right to require Lender to (1) proceed against Borrower, (2) proceed against or exhaust any security held from Borrower, or (3) pursue any other remedy in Lender's power. Guarantor waives all defenses arising by reason of any disability or other defense of Borrower, including, without limitation, all defenses, if any, arising from the filing of a petition in bankruptcy by or against Borrower, or by reason of the cessation of the liability of any Borrower from any cause other than full repayment of the Loan. Guarantor waives all defenses which may be acquired by reason of Lender's election of any remedy against Guarantor or Borrower or both, including, but without limitation, an election by Lender to exercise its rights under the power of sale set forth in the Deed of Trust and the consequent loss by Guarantor of the right to recover any deficiency from Borrower. Without limiting the generality of the foregoing Guarantor expressly waives any and all benefits under California Civil Code Sections 2809, 2810, 2819, 2839, 2845, 2847, 2848, 2849, 2850, 2855, 2899, and 3433 and California Code of Civil Procedure Sections 580a, 580b, 580d, and 726. Until the Loan shall have been repaid in full, Guarantor shall have no right of subrogation, and waives all right to enforce any remedy which Lender now has or may hereafter have against Borrower, and waives all benefit of and all right to participate in any security now or hereafter held by Lender. Guarantor waives all presentments, demands for performance, notice of non-performance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty.

(b) In addition, Guarantor waives any duty on the part of Lender to disclose to Guarantor any facts it may now or hereafter know about Borrower, regardless of whether Lender (1) has reason to believe that any such facts materially increase the risk beyond that which Guarantor intends to assume, or (2) has reason to believe that such facts are unknown to Guarantor, or (3) has a reasonable opportunity to communicate such facts to Guarantor; it being understood and agreed that Guarantor is fully responsible for being and keeping informed of the financial condition of Borrower and of all circumstances bearing on the risk of nonpayment of any indebtedness hereby guaranteed.

5. Subordination. All indebtedness of Borrower now or hereafter held by Guarantor is subordinated to the Loan, and all indebtedness of Borrower to Guarantor, if Lender so requests, shall be collected, enforced and received by Guarantor as trustee for Lender and shall be paid over to Lender on account of the Loan but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty; provided, however, that so long as no default by Borrower shall occur under the Loan, any indebtedness of Borrower to Guarantor, incurred in the ordinary course of business which will not in the judgment of Lender cause a default of Borrower's obligations under the Note, or unreasonably impair Borrower's ability to repay the Note, may be repaid in accordance with the terms of such indebtedness.

6. Attorney's Fees. Guarantor agrees to pay attorney's fees and all costs and expenses which may be incurred by Lender in the enforcement of this Guaranty and in the repayment of the Loan guaranteed hereunder.

7. Warranties. Guarantor warrants that:

(a) Any financial statements of Guarantor previously furnished to Lender to induce Lender to make the Loan are correct. Guarantor has title to all assets shown in such statements and there has been no material adverse change in the financial condition of Guarantor since the date of the last statement furnished.

(b) There are no actions, suits or proceedings pending, or so far as Guarantor is aware, threatened against Guarantor which might result in any material adverse change in the financial condition of Guarantor.

(c) Neither the execution nor delivery of this Guaranty nor compliance with the terms hereof will conflict with or result in the breach of any law or statute, will constitute a breach or default under any agreement or instrument to which Guarantor may be a party, or will result in the creation or imposition of any charge or lien upon any property or assets of Guarantor.

8. Remedies. If Guarantor shall fail to perform or otherwise breach any of its obligations hereunder, in addition to all other rights and remedies Lender may have at law or in equity, Lender may, from time to time and without first requiring performance on the part of the Borrower, and without being required to exhaust or proceed against any or all security held by Lender, look to and require performance by Guarantor of any obligation on the part of the Guarantor to be performed pursuant to the terms of this Guaranty by action at law or in equity both. Lender may also collect from Guarantor in any such action compensation for and Guarantor hereby indemnifies and holds Lender harmless from, all loss, cost, damage, injury and expense sustained or incurred by Lender proximately caused by or resulting from Guarantor's breach of or failure to perform any of its obligations under this Agreement.

9. Does Not Supersede Other Guaranties. The obligations of each Guarantor hereunder shall be separate and in addition to the obligations of each other Guarantor hereunder, and this Guaranty shall not affect or invalidate any such other guaranties. The liability of Guarantor to Lender shall at all times be deemed to be the aggregate liability of Guarantor under the term of this Guaranty and of any other guaranties previously or hereafter given by Guarantor and not expressly revoked, modified or invalidated.

10. No Waiver. No failure by Lender to pursue any remedy hereunder, under the Deed of Trust or under any other document relating to the Loan shall constitute a waiver on the part of Lender of its right to pursue such remedy on the basis of the same or a subsequent breach. No extension, modification, amendment or renewal of the Note, the Deed of Trust or any other security instrument securing the Loan, shall serve to waive in whole or in part the provisions hereof for discharge Guarantor from any of its obligations set forth herein, except to the extent expressly acknowledged by Lender in writing, and any such action may be taken by Lender with or without the consent of Guarantor.

11. Miscellaneous.

(a) All married persons who sign this Guaranty hereby expressly agree that recourse may be had against his or her separate property for all obligations under this Guaranty.

(b) In all cases where there is more than one Borrower named herein, or when this Guaranty is executed by more than one Guarantor, the word "Borrower" and the word "Guarantor," respectively, shall mean all and any one or more of them.

(c) This Guaranty shall be construed in accordance with the laws of the State of California.

(d) The obligations and promises set forth herein shall be the joint and several undertakings of each of the persons executing this Guaranty as Guarantor, and Lender may proceed hereunder against any one or more of said persons without waiving the right to proceed against any of the others.

(e) Time is of the essence hereof.

(f) In the event that any provision of this Guaranty shall be held to be invalid, the same shall not affect the validity of the remainder of this Guaranty.

(g) No amendment, modification, termination or waiver of any provision of this Guaranty shall be effective for any purpose whatsoever, unless such amendment, modification, termination or waiver is in writing and signed by Lender.

(h) The article and section headings in this Agreement are for assistance in identification only and are not to be considered part of the substance of the provisions of this Agreement.

IN WITNESS WHEREOF, each undersigned Guarantor has executed this Guaranty as of the date first set forth above.

Date: _____

GUARANTOR - <f69><f70><f71><f72>