

## PREPAYMENT ADDENDUM TO NOTE

Loan Number: (Loan Number)

Date: (Date) (Example- June 14, 2018)

Borrower(s): (Borrower(s) Full Name(s))

THIS PREPAYMENT ADDENDUM TO NOTE (the "Addendum") is made this (Day)(Ex- 14<sup>th</sup>) day of (Month), (Year), and is incorporated into and shall be deemed to amend and supplement that certain promissory note (the "Note") made by the undersigned ("Borrower") in favor of CITADEL SERVICING CORPORATION, A CORPORATION

("Lender") and dated the same date as this Addendum. Repayment of the Note is secured by a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") given by Borrower in favor of Lender and dated the same date as this Addendum. To the extent that the provisions of this Addendum are inconsistent with the provisions of the Note, the provisions of this Addendum shall supersede the inconsistent provisions of the Note.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Note, Borrower and Lender further covenant and agree as follows:

Section (Prepayment Section Number) of the Note is amended to read in its entirety as follows:

(Prepayment Section Number) **BORROWER'S RIGHT TO PREPAY; PREPAYMENT CHARGE**

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under the Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payment unless the Note Holder agrees in writing to those changes.

If the Note provides for changes in the interest rate, my partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

If within THIRTY-SIX ( 36 ) months following the date the loan was made I make a full Prepayment, or partial Prepayments within any 12-month period which exceed 20 percent of the original balance, I will pay a Prepayment charge in an amount determined as follows:

(a) THREE percent ( 3.000 %) of the Principal loan amount remaining on the day of Prepayment, if Prepayment is made within the first twelve-month period immediately following the date the loan was made;

(b) TWO percent ( 2.000 %) of the Principal loan amount remaining on the day of Prepayment, if Prepayment is made within the second twelve-month period following the date the loan was made; and

(c) ONE percent ( 1 . 000 %) of the Principal loan amount remaining on the day of Prepayment, if Prepayment is made within the third twelve-month period following the date the loan was made.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Addendum.

_____	_____	_____	_____
Borrower	Date	Borrower	Date
_____	_____	_____	_____
Borrower	Date	Borrower	Date
_____	_____	_____	_____
Borrower	Date	Borrower	Date