

## PROMISSORY NOTE

PRINCIPAL: \$[principal amount] (the "Principal")

DATE: [date]

For value received, [Name(s) of Party(ies) making the note] (the "Maker") [if more than one: jointly and severally] promise to pay to [Name of Lender / Note Holder] (the "Holder"), or order, the above-noted Principal, together with interest thereon or so much thereof as shall from time to time remain unpaid at the rate of [INTEREST RATE] (\_\_\_%) PER CENT per year, in \_\_\_\_\_ monthly installments of \$###.## each, to be made on the \_\_\_\_\_ day of each and every month, commencing on [insert first payment date] and continuing thereafter until [insert last payment date], or at such earlier date on which said Principal and interest have been paid in full, at [insert full address of holder, including zip/post code] or at such other place as the holder hereof may designate in writing from time to time.

This Note and the instruments securing it shall be governed by and construed in accordance with the laws of \_\_\_\_\_.

This Note may be prepaid in whole or in part at any time without penalty or premium. If this Note provides for installment payments of principal, prepayment of principal payments shall be applied in the inverse order such installment payments are due, applying first to the last principal installment due hereunder.

This Note is secured by a Mortgage of even date herewith executed by the undersigned in favor of the Holder herein, which is a lien on certain collateral security as described in such Mortgage.

In the event that any payment of Principal and/or interest is not made within \_\_\_\_\_ (##) days of the date on which the same is due, which event shall constitute an "Event of Default" hereunder, or in the event of any default under the terms of the Mortgage securing this Note, the Maker shall pay, during the period of such default, interest on the unpaid balance of the indebtedness evidenced by this Note at the highest rate allowable under the law.

The Holder shall have the optional right to declare the amount of the total unpaid balance hereunder to be due and forthwith payable in advance of the maturity date of any sum or installment due hereunder, upon the failure of the Maker to pay, when due and after \_\_\_ (##) days that the same is due, any of the installments of interest and/or Principal, or upon the occurrence of any Event of Default or failure to perform in accordance with any of the terms and conditions in the Mortgage securing this Note or in any other security document executed and/or delivered in conjunction herewith. Upon exercise of this option by the Holder, the entire unpaid Principal balance shall bear interest at the highest rate allowed by law. Forbearance to exercise this option with respect to any failure or breach of the Maker shall not constitute a waiver of the Holder's rights with respect to any continuing failure or breach or any subsequent failure or breach.

In no event shall the amount of interest due or payments in the nature of interest payable hereunder exceed the maximum rate of interest allowed by applicable law, as amended from time to time, and in the event that any amount in excess of the maximum rate is paid by the undersigned or received by the Holder, then such excess sum shall be credited as a payment of Principal, unless the Maker shall notify the Holder, in writing, that the Maker elects to have such excess sum returned to it forthwith.

Time is of the essence hereof, and, in the event that collection proceedings are required to collect any outstanding amounts hereunder, the Maker agrees to pay all costs of collection, including reasonable legal fees (which shall include but not be limited to, all fees incurred in all matters of collection and enforcement, construction and interpretation, before, during and after suit, trial, proceedings and appeals, hourly charges for paralegals, law clerks and other staff members operating under the supervision of a lawyer).

**THIS IS A 2-PAGE FORM.**