



## **PROMISSORY NOTE**

Date: \_\_\_\_\_ Borrower: \_\_\_\_\_

### **A. BORROWER'S PROMISE TO PAY**

For value received, \_\_\_\_\_ (the "Borrower"), residing at \_\_\_\_\_, promises to pay to the order of the Great Barrington Affordable Housing Trust Fund ("Lender"), having an address of 334 Main Street, Great Barrington, Massachusetts 01230, the sum of \_\_\_\_\_ Thousand and 00/100 Dollars (\$ \_\_\_\_\_ .00) (the "Loan") in lawful money of the United States. The Loan will be used to acquire the property located at \_\_\_\_\_, Great Barrington, Massachusetts (the "Property"), which Loan is also evidenced by a Mortgage encumbering the Property and recorded with the Southern Berkshire Registry of Deeds.

### **The Borrower's acknowledgements and agreements:**

- 1.** Lender is providing the Loan to Borrower for the down-payment in connection with the acquisition of the Property, which shall be used as the Borrower's primary residence.
- 2.** The Borrower hereby agrees that the Lender shall be given thirty (30) days prior written notice of a sale, refinancing, or transfer of the Property that secures this Promissory Note.
- 3.** The Borrower hereby agrees to use the Property as Borrower's principal residence.

### **B. REPAYMENT OBLIGATION**

- 1.** The Borrower agrees that the Loan will be used only for the purpose approved by the Lender. The Borrower acknowledges and agrees that if the Lender determines by its own monitoring in its sole discretion, or the Lender is informed that the Loan will not be or was not used for the purpose approved by the Lender (an "Event of Noncompliance"), the Loan must be repaid in full by the Borrower to the Lender.
- 2.** In the event the Property that secures the Promissory Note is sold, the Borrower agrees to repay the Loan in full, to the Lender, within thirty (30) days of the sale, UNLESS the sale price is lower than 90% of the price paid for Borrower's acquisition of the Property, as verified by Lender.

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**C. PAYMENT OF LENDER’S COSTS AND EXPENSES**

If the Lender is required to initiate legal process as the result of an Event of Noncompliance as described above, the Lender will have the right to be paid back for all of its costs and expenses incurred as a result of such default, to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys’ fees.

**D. BORROWER’S WAIVERS**

Borrower waives rights to require the Lender to do certain things to the extent permitted by law. Those things are: (i) to demand payment of amounts due (known as “presentment”); (ii) to give notice that amounts due have not been paid (known as “notice of dishonor”); (iii) to obtain an official certification of nonpayment (known as a “protest”).

**E. GIVING OF NOTICES**

Any notice that must be given to either Borrower or Lender under this Promissory Note will be given by delivering it or by mailing it by certified mail addressed to the other party at the address set forth above. A party may change the place of notice by delivering or mailing such change to the other party in the manner set forth herein for the giving of notice.

**F. RESPONSIBILITY OF PERSONS UNDER THIS PROMISSORY NOTE**

If more than one person signs this Promissory Note, each is fully and personally obligated to keep all of the promises made in this Promissory Note. The Lender may enforce its rights under this Promissory Note against each signatory individually or against some or all of the signatories, in its sole discretion. This means that any one person may be required to pay the entire amount owed under this Promissory Note. Any person who takes over rights or obligations under this Promissory Note will have all rights and must keep all of the promises made in this Promissory Note. Any person who takes over the rights or obligations of a guarantor, surety, or endorsee of this Promissory Note is also obligated to keep all of the promises made in this Promissory Note.

**G. GOVERNING LAW**

This Promissory Note shall be governed by the laws of the Commonwealth of Massachusetts.

**IN WITNESS WHEREOF**, the Borrower has executed this Promissory Note under seal as of the date written above.

\_\_\_\_\_  
BORROWER DATE

\_\_\_\_\_  
LENDER DATE

\_\_\_\_\_  
WITNESS DATE