**ANDP HOMEBUYERS ASSISTANCE**

# **PROMISSORY NOTE**

US $ amount

Atlanta, Georgia
Date

**FOR VALUE RECEIVED**, the receipt, adequacy and sufficiency of which are hereby acknowledged, **Name**, a resident of the State of Georgia (individually or collectively, the “Maker”) hereby promises to pay to the order of **ATLANTA NEIGHBORHOOD DEVELOPMENT PARTNERSHIP, INC**., a Georgia nonprofit corporation, or to any subsequent holder of this Note (hereinafter, the “Holder”), the principal sum of **Amount**, together with interest thereon (if any) or on so much thereof as is from time to time outstanding and unpaid, at the rate or rates hereinafter set forth, in lawful money of the United States of America, such principal and interest to be paid in the following manner:

1. **Principal Installments; Interest**. No principal payment or interest is due on the amounts evidenced by this Note until the earliest to occur of the following (collectively, a “Principal Payment Event”): (i) a Prohibited Transfer (as hereinafter defined), (ii) a Failure of Residency (as hereinafter defined), (iii) any default hereunder or under the Deed to Secure Debt (as hereinafter defined), or (iv) **date** (the “Maturity Date”).
2. **Prohibitions and Restrictions on Sale, Conveyance or Refinancing of the Premises**. Except as specifically provided herein or in the Deed to Secure Debt, the Maker (or Maker’s heirs, legal representatives, administrators, permitted successors or assigns) shall not (each, a “Prohibited Transfer”): (i) sell, transfer (whether by operation of law, contract or otherwise), exchange, or refinance the promissory note secured by the First Deed to Secure Debt (as defined in the Deed to Secure Debt) or this Note other than a “no cash out” refinancing to refinance the promissory note secured by the First Deed to Secure Debt or this Note solely to reduce the interest rate paid by Maker thereon or hereon, or (ii) sell, lease, rent, license, convey or otherwise dispose of any interest whatever (whether legal or equitable) in the property described in Exhibit A attached to the Deed to Secure Debt (the “Premises”).
3. **DEFAULT**. IF THERE SHALL HAVE OCCURRED A PRINCIPAL PAYMENT EVENT OR A DEFAULT OR EVENT OF DEFAULT (AFTER TAKING INTO ACCOUNT ANY APPLICABLE CURE PERIOD) UNDER THE PROMISSORY NOTE SECURED BY THE FIRST DEED TO SECURE DEBT OR ANY OTHER INDEBTEDNESS HAVING A PERMITTED SECURITY INTEREST (WHETHER LEGAL OR EQUITABLE) IN THE PREMISES, ALL AMOUNTS THEN OWED UNDER THIS NOTE, THE DEED TO SECURE DEBT AND THE DEBT EVIDENCED HEREBY SHALL BECOME IMMEDIATELY DUE AND PAYABLE WITHOUT THE REQUIREMENT OF FURTHER NOTICE TO THE MAKER.

“FAILURE OF RESIDENCY” AS USED HEREIN AND IN THE DEED TO SECURE DEBT MEANS THAT WHILE THIS NOTE REMAINS UNPAID, MAKER CEASES TO MAKE THE PREMISES MAKER’S PRINCIPAL PLACE OF RESIDENCY AS EVIDENCED BY ONE OR MORE OF THE FOLLOWING FACTORS TO BE CERTIFIED BY THE MAKER AT THE REQUEST OF THE HOLDER NOT MORE THAN ANNUALLY DURING THE TERM HEREOF:

 (A) PREMISES IS LISTED AS THE MAKER’S PLACE OF RESIDENCE ON MAKER’S MOTOR VEHICLE REGISTRATION, GEORGIA DRIVER’S LICENSE, VOTER REGISTRATION OR WITH ANY PUBLIC AGENCY INCLUDING FEDERAL, STATE AND LOCAL TAXING AUTHORITIES;

(B) UTILITIES ARE BILLED TO AND PAID BY MAKER AT PREMISES;

(C) MAKER’S PERSONAL POSSESSIONS HAVE BEEN MOVED TO AND REMAIN LOCATED WITHIN THE PREMISES;

(D) NO HOMEOWNER’S TAX EXEMPTION FOR MAKER HAS BEEN FILED FOR ANY OTHER PROPERTY;

(E) MAKER RECEIVES MAIL AT THE PREMISES; AND

(F) MAKER NORMALLY RETURNS TO THE PREMISES AS MAKER’S HOME A MAJORITY OF THE TIME DURING A CALENDAR YEAR, EXCLUSIVE OF PERIODS OF MILITARY SERVICE, HOSPITALIZATION, VACATION, FAMILY EMERGENCY, BRIEF PERIODS OF TRAVEL (OTHER THAN RELOCATION) NECESSITATED BY EMPLOYMENT OR EDUCATION OR OTHER REASONABLE TEMPORARY PERIODS OF ABSENCE.

Holder may from time to time request from Maker other evidence of Maker’s residency at the Premises. Failure by Maker to provide Holder with Maker’s requested sworn certification of residence within ten (10) business days of notice of such request shall constitute a default hereunder.

1. **Interest Upon Default**. If the Maker defaults in his or her obligation to make any payment of principal hereunder as and when due, the amounts owed under this Note shall bear interest at the rate of eight percent (8%) per annum (the “Default Rate”) from the date of such default until all unpaid principal amounts, together with accrued interest on the outstanding principal balance of this Note, are paid in full.
2. **Time**. TIME IS OF THE ESSENCE OF THIS NOTE.
3. **Security**. This Note is secured by a deed to secure debt dated of even date herewith (the “Deed to Secure Debt”) from the Maker to the Holder relating to the Premises. Both documents shall be executed at closing and the Deed to Secure Debt shall be duly recorded in the Office of the Clerk of Superior Court of (**county**) County, Georgia. The Maker shall immediately deliver to the Holder the original Note and a copy of the executed Deed to Secure Debt as recorded in the Office of Clerk of Superior Court of Fulton County, Georgia, and shall cause the original executed Deed to Secure Debt, with evidence of proper recording, to be delivered to the Holder within forty-five (45) days from the date hereof.
4. **Method of Payment**. All payments of principal and interest (if any) shall be made in lawful money of the United States of America at the office of the Holder, currently located at 229 Peachtree Street, Suite 705, Atlanta, Georgia, 30303, or at such other place as the Holder may designate in writing. Such payments shall be made by wire or cash transfer or such other method as reasonably requested by the Holder.
5. **Default; Acceleration**. If the Maker fails to make any payment of principal when due, or if the Maker defaults in the performance of any of the terms, covenants or conditions of any agreement or other document concerning this Note, including, without limitation, the Deed to Secure Debt, the Holder may declare the principal of this obligation, all unpaid interest accrued thereon and any other costs relating thereto to be immediately due and payable, without prior notice or demand to the Maker. The Holder shall have no obligation to give the Maker notice of any failure to make such payments.
6. **Late Charge**. To help defray the added expense of handling delinquent payments and not as a penalty, the Maker agrees to pay immediately upon demand a late charge of five percent (5%) of any payment not made when due, together with accrued interest.
7. **Application of Payments**. Payments shall be applied first to any late charge, then to interest, then to principal. The parties intend that no payment exceed any legal limit on interest, if any such legal limit applies. If an amount exceeding the legal limit on interest is paid by the Maker, after payment of all late charges, principal and other amounts due and payable hereunder, the excess amount shall be immediately returned to the Maker by the Holder and shall not be construed as interest or a charge.
8. **Waiver of Presentment; Strict Compliance**. The Maker hereby waives presentment for payment, demand, protest, and notice of non-payment. Neither a failure to accelerate for default nor acceptance of a past due payment shall be a novation of this Subsidy Note or a waiver of the right to insist upon strict compliance with it and with the accompanying agreements and documents.
9. **Costs of Collection; Attorneys Fees**. The Maker shall pay all costs of collection, including but not limited to reasonable attorney's fees as actually incurred at standard hourly rates (and the term “reasonable” shall not be interpreted to mean a percentage of principal and interest as provided in Official Code of Georgia § 13‑1‑11), if the Holder endeavors to collect amounts owed under this Note in any manner through an attorney at law, whether or not suit is filed. The rights and remedies of the Holder provided in this Note are cumulative and not exclusive of any other rights and remedies afforded the Holder at law, in equity or by any other agreement or document.
10. **Choice of Laws**. This Note shall be governed by, construed and interpreted in accordance with the laws of the State of Georgia.
11. **Severability**. Every provision of this Note is intended to be severable. In the event that any term or provision hereof is declared by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity of such term or provision shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable, and, to the fullest extent possible, all of such other terms and provisions shall nonetheless remain in full force and effect.
12. **Headings**. The headings and titles used in this Note are intended solely for identification and are not for any substantive purpose, and no heading or title shall in any way limit or extend the provisions hereof.
13. **Joint and Several**. This Note shall be the joint and several obligations of all makers, endorsers, guarantors and sureties, and shall be binding upon them and their respective heirs, representatives, successors and assigns and shall inure to the benefit of the Holder and its successors and assigns.
14. **Waiver of Homestead and Exemption Rights**. Each of the undersigned, whether principal, surety, guarantor, endorser or other party, severally waives and renounces each for himself and his family any and all homestead and exemption rights, either of them, or the family of either of them, may have under and by virtue of the laws of the State of Georgia, or any other state, or the United States, as against this debt or any renewal or extension thereof.

18. **Underwriting Requirements.** Each of the undersigned, whether principal, surety, guarantor, endorser or other party, severally acknowledges and agrees for himself and his family, that this Note and the Deed to Secure Debt which secures this Note are subject to certain income eligibility guidelines based upon the level of assistance represented by this Note, as well as current residency requirements, all as outlined in ANDP Homebuyers Assistance Program (the “Underwriting Requirements”), and each hereby represents and warrants, for himself and his family, the each of the undersigned meets all Underwriting Requirements for the level assistance represented by the Note. It shall be a default under this Note if any representation or warranty herein or any statement or representation made in any document or other writing delivered pursuant hereto, thereto or as evidence to meet Underwriting Requirements proves to have been false, misleading or incorrect in any material respect on the date hereof, or as of when made.

[Remainder of this Page Intentionally Left Blank; Signature Page Follows]

**IN WITNESS WHEREOF**, the undersigned Maker(s) has [have] caused this Note to be executed under its seal and to be delivered to an in the name of the Maker as of the date first above written.

 **MAKER**:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (SEAL)

 Print or type name: (**name of borrower**)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (SEAL)

 Print or type name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_