

**HOME INVESTMENT PARTNERSHIPS PROGRAM
FIRST-TIME HOMEBUYER ACQUISITION LOAN**

PROMISSORY NOTE

_____, 20__
_____, Massachusetts

A. BORROWER'S PROMISE TO PAY

In return for a loan (the "Loan") in the amount of \$ _____ that has been made to me by **The Malden Redevelopment Authority, as Representative Member of and Agent for the North Suburban Consortium** with an address at **17 Pleasant Street, Malden, Massachusetts 02148** (the "Lender") the proceeds of which will be used by me to acquire the property located at _____, Massachusetts (the "Property"), I make the following promises:

1. If I refinance, sell, transfer or no longer reside in the Property as my principal residence before the **fifth** anniversary of the Loan, I agree to pay to the order of the Lender or its designee an amount equal to the original principal amount of the Loan reduced by **twenty (20%) percent** for each full year elapsed from the date of this Note until the date of such refinance, sale or transfer. In no event, however, will the amount required to be paid to the Lender in the case of a refinance, sale or transfer be greater than the amount (the "Net Proceeds") by which the resale price of the Property exceeds the sum of the total amount of allowable secured debt on the Property (other than the debt evidenced hereby) plus broker's fees, recording costs and excise taxes incurred by me in connection with the sale of the Property.

2. If an Event of Default shall occur before the fifth anniversary of the Loan, to repay to the order of the Lender or its designee an amount equal to the original principal amount of the Loan.

3. To use the Property as my principal residence during the term of this Promissory Note provided that I continue to own the Property.

B. PAYMENTS

I will make any payment due under this Promissory Note in full at the time of my refinance, sale or transfer of the Property, if I no longer reside in the Property as my principal residence or upon the earlier occurrence of an Event of Default.

C. DEFAULT

It will be an Event of Default under this Promissory Note if the following occurs:

1. Default under any term or condition of this Promissory Note.
2. Default, continuing beyond and applicable notice or grace period, under the Mortgage.

D. PAYMENT OF NOTEHOLDER'S COSTS AND EXPENSES

If the Lender is required to initiate legal process as the result of my default 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.

E. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Lender under this Promissory Note, a Mortgage of the Property of even date (the "Mortgage") sets forth certain other terms and conditions that apply to the Loan and protects the Lender from possible losses which might result if I do not keep the promises which I make in this Promissory Note.

F. BORROWER'S WAIVERS

I waive my rights to require the Lender to do certain things to the extent permitted by law. Those things are: (A) to demand payment of amounts due (known as "presentment"); (B) to give notice that amounts due have not been paid (known as "notice of dishonor"); (C) to obtain an official certification of nonpayment (known as a "protest").

G. GIVING OF NOTICES

Any notice that must be given to me under this Promissory Note will be given by delivering it or by mailing it by certified mail addressed to me at the address of the Property set forth above. A notice will be delivered or mailed to me at a different address if I give the Lender proper written notice of my different address.

Any notice that must be given to the Lender under this Promissory Note will be given by delivering it or mailing it by certified mail to the Lender at the following address: **North Suburban Consortium, c/o Malden Redevelopment, P.O. Box 278, Malden, Massachusetts 02148.**

H. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Promissory Note, each of us is fully and personally obligated to keep all of the promises made in this Promissory Note. Any guarantor, surety, or endorser of this Promissory Note is also obligated to do these things. The Lender may enforce its rights under this Promissory Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Promissory Note. Any person who takes over my rights or obligations under this Note will have all of my rights and must keep all of my 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.

I. TERM

The term of this Promissory Note shall end on the **fifth** anniversary of the date of this Promissory Note or upon the refinance, sale, foreclosure sale or a deed in lieu of foreclosure of the Property, or if I no longer reside in the Property as my principal residence, whichever first occurs.

J. 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.

Witness

Borrower

Witness

Borrower