

PROMISSORY NOTE

Loan Amount: \$ _____

Place: _____

Maturity Date: _____

Date: _____

FOR VALUE RECEIVED, the undersigned parties, _____, whose address is _____ ("Maker" and/or "Borrower"), promises to pay to the order of _____ or any subsequent holder of this Promissory Note ("Lender" and/or "Holder"), whose address is _____, the principal sum of _____ Dollars (\$ _____) ("Principal Amount"), with interest on the principal balance, which is from time to time outstanding from the date hereof, at the rate of interest as set forth herein and payable as follows:

- a. **Interest.** The Principal Amount shall bear interest at a fixed rate per annum equal to _____ percent (the "Interest Rate"). Interest shall be computed on the basis of a daily amount of interest accruing on the daily outstanding principal balance during a 360-day year multiplied by the actual number of days the principal is outstanding during such applicable interest period.

- b. **Payment of Principal and Interest.** This is a _____ year(s) and _____ month term (the "Term"), Promissory Note (hereinafter, the "Promissory Note"), amortized over a _____ period with principal and interest payments, and with pre-payment penalties as set forth herein, with all accrued and unpaid interest and the entire principal balance then outstanding due at the Maturity Date. Maker promises to pay interest on the unpaid Principal Amount at the Interest Rate, compounded monthly, if applicable, from the Date of this Note until payment in full, as hereinafter provided. Monthly payments, representing principal and interest, payable in arrears, but calculated on the daily outstanding unpaid principal balance of this Promissory Note shall be due and payable commencing _____, and on the same day of each and every month thereafter until the Maturity Date, as set forth herein, at which time the entire unpaid principal balance and any unpaid and accrued interest shall become due and payable in full without demand. The monthly principal and interest payment is _____. Payments of principal and interest shall be made in lawful currency of the United States of America which shall be legal tender in payment of all debts, public and private, at the time of payment. Each payment hereunder shall be credited first to Lender's collection expenses, next to late charges, next to unpaid interest, and the balance, if any, to the reduction of

the Principal Amount. The interest on this Note shall be calculated on the basis of a 360-day year and on the actual number of days in each month.

- c. **Maturity Date.** The then outstanding principal balance, plus all accrued but unpaid interest, shall be due and payable in full on _____.
- d. **Pre-payment Penalty.** Provided this Promissory Note, the Mortgage (as defined below) secured by this Note, or any other document executed in connection with this Note and the Mortgage are not in default, this Note may be prepaid in whole or in part on any loan payment date. Any partial prepayment shall not postpone the due date of any subsequent periodic installments or the Maturity Date, or change the amount of such installments due, unless Lender shall otherwise agree in writing.
- e. **Late Payments.** The Principal Amount or the unpaid balance thereof, with interest thereon, shall be accelerated and become immediately due and payable, at the option of the Holder, after default in the payment of any monthly installment of interest if it is not paid within _____ **days** of its due date, or after default in the performance of any of the covenants or conditions of the Blanket Mortgage (the "Mortgage"), executed simultaneously herewith in connection with this Promissory Note and the below guaranty (the "Guaranty") of the guarantor (the "Guarantor"), which secures payment of this Promissory Note through the Guaranty's pledge of real property owned by Guarantor and that real property owned by the Borrower. Should the Maker fail to pay any installment of interest or principal due hereunder and remain in default for a period of five (5) days, the Maker shall pay a late charge in the amount of «=late_penalty_percent»% on the installment of principal and/or interest so overdue.
- f. **Events of Default.** The Principal Amount or the unpaid balance thereof, with interest thereon, shall be accelerated and become immediately due and payable, at the option of the Holder, upon any of the following events:
 - i. Failure to pay the entire balance owed on or before the Maturity Date;
 - ii. Any lapse in insurance coverage that lasts for more than three (3) business days and/or that can not be retroactively cured by the payment of any outstanding premiums;
 - iii. The transfer or any ownership interest in the Property without paying off the entire balance owed under this Note;
 - iv. The failure to pay any contract, material man, or subcontractor who provides work, services, or materials related to the property within ten (10) days of the receipt of an invoice for the same or the filing of any mechanic's lien against the Property;

- v. Any stoppage in work on the Property that lasts for more than five (5) business days other than when the Property is listed for sale upon the completion of the rehab;
 - vi. Any change in the owners, managers, members, directors, officers, or other parties in control of the Maker-entity without the prior approval of the Holder;
 - vii. The issuance of any code violation or notice of violation of municipal or building codes that is not cured within thirty (30) days of receipt of the same;
 - viii. The failure to pay any taxes related to the Property when due to the municipality assessing the tax;
 - ix. The violation of covenants, restrictions, rules or regulations of any property owner association, if applicable, that is not cured within ten (10) days of written notice regarding the same;
 - x. Making of a general assignment by any Maker or Guarantor for the benefit of creditors, appointment of or taking possession by a receiver, trustee or custodian or similar official for any Maker or Guarantor or for any assets of any such Maker or Guarantor or institution by or against any Maker or Guarantor of any kind of insolvency proceedings or any proceeding for dissolution or liquidation of any Maker or Guarantor which is not dismissed within 30 days of the filing thereof;
 - xi. Entry of a final judgment against any Maker or Guarantor which is not satisfied or transfer to bond within 30 days of the date of entry or an appeal of such judgment timely filed and, in such event, not satisfied within 30 days after such appeal is dismissed or the date of the appellate court entering a judgment upholding the trial court judgment in whole or in part;
 - xii. The death of a Guarantor, or any default in the payment or performance of any obligation of any Guarantor arising under its guarantee or pursuant to any other loan document; and
 - xiii. The filing of any petition under the Bankruptcy Code or any similar federal or state statute by or against the Maker or any Guarantor and not discharged and dismissed within thirty (30) days of the filing of the same.
- g. **Default Rate.** From and after the occurrence of an Event of Default, as such term is hereinafter defined, under this Promissory Note or the maturity thereof, whether normal maturity or accelerated maturity, the unpaid principal hereof shall bear interest at the greater of eighteen percent (18%) per annum or the highest legal rate permitted by Missouri law.
- h. **Attorney Fees.** Each Maker, endorser and Guarantor, jointly and severally, agrees to pay all costs of collection, including reasonable attorney's fees, in the

event it becomes necessary to protect the security hereof, whether suit be brought or not.

- i. **Mortgage/Deed of Trust.** This Promissory Note is secured by a Mortgage or Deed of Trust of even date herewith (the "Mortgage") from the **Company** to Lender on real property located at «=property_address_inline», and is to be construed and enforced according to the laws of the State of «=property_address_state_word». Upon default in the payment of any of the terms and conditions of said Mortgage, and after the expiration of all applicable cure and grace periods, then, at the option of the Holder, the entire Principal Amount remaining unpaid, together with accrued interest, shall become immediately due and payable, without further notice.
- j. **Extensions and Waiver.** It is agreed that the granting to the Maker of this Promissory Note or any other party of an extension or extensions of time for the payment of any sum or sums due hereunder or under the accompanying Mortgage or for the performance of any covenant or stipulation thereof or the taking of other or additional security or the release of any security shall not in any way release or affect the liability of the Maker or any endorser or Guarantor for any sums due under this Promissory Note.
- k. **Amendments.** This Note may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.
- l. **Choice of Law.** Borrower, and any endorsers, sureties, Guarantors and all others who are, or who may become liable for the payment hereof, severally, irrevocably, and unconditionally (a) agree that any suit, action, or other legal proceeding arising out of or relating to this Note may be brought, at the option of the Lender, in a court of record of the State of **Missouri** in **Jackson County**, or in any other court of competent jurisdiction; (b) consent to the jurisdiction of each such court in any such suit, action or proceeding; and (c) waive any objection which it or they may have to the venue of any such suit, action, or proceeding in any such court.
- m. **Creditor Rights.** Lender shall have all of the rights and remedies of a creditor, mortgagee and secured party under all applicable law.
- n. **Remedies.** Without limiting the generality of the foregoing, upon the occurrence of an Event of Default hereunder, Lender may, at its option, and without notice or demand after the expiration of all applicable cure and grace periods (i) declare the entire unpaid principal and accrued interest accelerated and due and payable at once, together with any and all other liabilities of Maker or any such liabilities selected by Lender; and (ii) set-off against this Promissory Note all monies owed by Lender in any capacity to Maker, and Lender shall be deemed to have exercised such right of set-off, and to have made a charge against any such money immediately upon the occurrence of such default, although made or entered on the books subsequent thereto. To the extent that any of the Collateral is personal property and Lender elects to proceed with respect to it in accordance with the

Uniform Commercial Code, then, unless that collateral is perishable or threatens to decline speedily in value, or is of a type customarily sold on a recognized market, Lender will give Maker reasonable notice of the time and place of any public or private sale thereof. The requirement of reasonable notice shall be met if such notice is, at the option of Lender, hand delivered, sent via expedited courier, or mailed, postage prepaid to Maker, at the address given to Lender by Maker, or any other address shown on the records of Lender at least five (5) days before the time of sale. Upon disposition of any Collateral after the occurrence of an Event of Default hereunder, Maker and its Guarantors shall be and shall remain liable for any deficiency; and Lender shall account to Maker for any surplus, but Lender shall have the right to apply all or part of such surplus (or to hold the same as reserve) against any and all other liabilities of Maker and its Guarantors to Lender.

- o. **Waivers.** Notwithstanding anything herein to the contrary or already stated, all parties to this Promissory Note, whether Maker, principal, surety, Guarantor or endorser, hereby waive presentment for payment, demand, notice, protest, notice of protest and notice of dishonor and, under no circumstances shall the aggregate amount paid or agreed to be paid hereunder exceed the highest lawful rate permitted under applicable usury law (the "Maximum Rate") and the payment obligations of Maker under this Promissory Note are hereby limited accordingly. If under any circumstances, whether by reason of advancement or acceleration of the maturity of the unpaid principal balance hereof or otherwise, the aggregate amounts paid on this Promissory Note shall include amounts which by law are deemed interest and which would exceed the Maximum Rate, Maker stipulates that payment and collection of such excess amounts shall have been and will be deemed to have been the result of a mistake on the part of both Maker and the Holder of this Promissory Note, and the party receiving such excess payments shall promptly credit such excess (to the extent only of such payments in excess of the Maximum Rate) against the unpaid principal balance hereof and any portion of such excess payments not capable of being so credited shall be refunded to Maker.
- p. **Plural/Singular.** The term "Maker" as used herein in every instance shall include the successors, legal representatives and assigns of the Maker, and shall denote the singular and/or plural, the masculine and/or feminine, and natural and/or artificial persons whenever and wherever the context so requires or admits.
- q. **Usury.** In addition to anything herein already stated, if the calculation of interest or the imposition of a change in the rate of interest after acceleration upon default or the payment of any fees or other charges which are construed to be interest under applicable law, rule, or regulation in effect from time to time, result in an effective rate of interest higher than that permitted to be paid under applicable law, rule, or regulation in effect from time to time, then such charges shall be reduced by a sum sufficient to result in an effective rate of interest no greater than the maximum effective rate of interest permitted to be paid under applicable law, rule or regulation in effect from time to time. The Lender may, in determining the maximum rate permitted under applicable law, rule or regulation in effect from time

to time, take advantage of: (i) the rate of interest permitted by state law; (ii) 12 United States Code, Sections 85 and 86, and (iii) any other law, rule or regulation in effect from time to time, available to Lender which exempts Lender from any limit upon the rate of interest it may charge or grants to Lender the right to charge a higher rate of interest than that permitted by state law. Upon maturity of this Promissory Note, whether by acceleration or in due course, interest shall be recalculated over the actual life of the loan based upon the amounts outstanding, and if the total amount of interest theretofore paid exceeds the amount permitted to be paid under applicable law, rule, or regulation in effect from time to time, the excess shall be credited to Principal Amount, or if such excess exceeds the Principal Amount due hereunder, refunded to the Borrower.

- r. **Cross Collateralization.** This Note shall be cross defaulted and cross collateralized with all other loans which Borrower or a Guarantor shall have from or shall have guaranteed to Lender (or any subsidiary or affiliated entity of Lender) during the term of this Loan, whether existing as of the closing date or subsequently made. A default under any of the above-described other loans shall constitute a default under this Promissory Note. A default under this Promissory Note shall constitute a default under the above-described other loans. To the extent not prohibited by applicable law, if Lender, at its option, avails itself of this cross-collateralization/cross default provision, Lender shall have the option to pursue its remedies in any combinations and against any Maker, Borrower or Guarantor.
- s. **Guarantor.** This Promissory Note is guaranteed **Emily Cantrell**. This Promissory Note is secured by the Mortgage executed and delivered on even date herewith by Borrower and is subject to the provisions thereof, with the Mortgage to be construed and enforced in accordance with the laws of the State of Missouri.
- t. **Statement of Business Purpose.** Maker represents and warrants that this Promissory Note evidences a loan for commercial business purposes and is not a consumer-type transaction.
- u. **Waiver of Appraisal.** Borrower agrees with respect to any collateral securing this Promissory Note, to waive all valuation and appraisal laws of any state.
- v. **Construction.** This Promissory Note shall be construed without any regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted. Notwithstanding anything contained herein to the contrary, if there is more than one Maker or borrower, each Maker or borrower shall be jointly and severally liable for a breach of any and all covenants, representations, warranties, obligations and liabilities under this Promissory Note and/or the Mortgage or any of the Loan Documents.
- w. **Waiver of Jury Trial.** MAKER, HOLDER AND/OR GUARANTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY AND ALL RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY

LITIGATION (INCLUDING BUT NOT LIMITED TO) ANY CLAIMS, CROSS CLAIMS OR THIRD PARTY CLAIMS ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREIN. MAKER HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE MAKER, HOLDER AND/OR GUARANTOR, NOR THEIR RESPECTIVE COUNSEL HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE MAKER, HOLDER AND/OR GUARANTOR WOULD NOT, IN THE EVENT OF SUCH LITIGATION; SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION. MAKER AND GUARANTOR ACKNOWLEDGE THAT THE HOLDER HAS BEEN INDUCED TO ENTER INTO THIS LOAN, INCLUDING THIS PROMISSORY NOTE, BY, INTER ALIA, THE PROVISIONS OF THIS PARAGRAPH.

Printed Name:

Date:

Title:

If applicable, spouse's signature below.

Printed Name:

Date:

Title: