

Loan Amount \$ \_\_\_\_\_ (Principal)

**PROMISSORY NOTE  
HOUSING FINANCE AUTHORITY OF CLAY COUNTY  
DOWN PAYMENT ASSISTANCE PROGRAM LOAN**

\_\_\_\_\_, \_\_\_\_\_ City: \_\_\_\_\_, Florida

Property Street Address City State Zip Code

**1. BORROWER'S PROMISE TO PAY**

I/We promise to pay \_\_\_\_\_  
(\$ \_\_\_\_\_) (this amount will be called "principal") to the order of the **HOUSING FINANCE AUTHORITY OF CLAY COUNTY**, whose address is **P O Box 1620, Orange Park, Florida 32067** (the "Lender"), or to any other legal holder of this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder."

**2. INTEREST**

This is a non interest bearing Note. Provided, however, in the event that this Note is not repaid in accordance with the terms hereof and as stated in the Second Mortgage, this Note will bear interest at the rate of seven percent (7%) per annum, or the then statutory rate of interest as established from year to year under section 55.03, Florida Statutes, from the date of the default, and said sums shall become additional indebtedness of the Borrower under this Note.

**3. PAYMENTS**

I shall make payment of this Note in its entirety by a single payment to U.S. Bank Home Mortgage, **P.O. Box 468002 Bedford, OH 44146-8002** or at a different place if required by the Note Holder, due upon one of the following events occurring:

- (a) the note to ( \_\_\_\_\_ ), hereinafter the First Lien Note ("**FLN**") is paid in full upon its maturity and according to its terms; or
- (b) the FLN is refinanced in whole or in part or is assumed by a new borrower without the consent of the Brevard County Housing Finance Authority; or
- (c) the unpaid balance of the FLN becomes due and payable in full for any reason (whether by acceleration or according to its terms, and including, without limitation, because any maker of the FLN is in default); or
- (d) all or any part of the Property, or any interest in it, is sold, leased, transferred, or foreclosed, except that this clause (e) will not apply to:
  - (i) the creation of a lien subordinate to the Mortgage securing this Note, or
  - (ii) a transfer (not upon death) between joint tenants in the Property who are also co-makers, of this Note, or
  - (iii) a transfer by devise, descent or operation of law upon the death of a joint tenant in the Property if at least one other joint tenant who is also a maker of this Note remains alive and continues to occupy the Property at his or he principal residence.

**4. BORROWER'S PAYMENT BEFORE PAYMENT IS DUE**

I have the right to make payment, in full, on this Note at any time before it is due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in a letter that I am doing so. A prepayment of all of the unpaid principal is known as a "full prepayment." A prepayment of only part of the unpaid principal is known as a "partial prepayment."

**5. BORROWER'S FAILURE TO PAY AS REQUIRED**

(A) Late Charges for Overdue Payments - If the Note Holder has not received the full amount of any of my monthly payments by the end of fifteen (15) calendar days after the date it is due, I will promptly pay a late charge to the Note Holder. The amount of the charge will be 4% of my overdue payment. I will pay this late charge only once on any late payment.

(B) Notice from Note Holder - If I do not pay any amount when due, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 10 days after the date on which the notice is delivered or mailed to me.

(C) Default - If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount. Even if, at a time when I am in default the Note Holder does not require me to pay immediately in full as described above, the Note Holder will have the right to do so if I am in default at a later time.

**THIS NOTE IS EXEMPT FROM FLORIDA DOCUMENTARY STAMP TAX UNDER 201.08, F.S. AND FLORIDA NONRECURRING INTANGIBLE TAX UNDER 199, F.S. PER 159.621 FLORIDA STATUTES.**

(D) Payment of Note Holder's Costs and Expenses - If the Note Holder takes such actions as described above, the Note Holder will have the right to be paid back for all of its costs and expenses, including but not limited to reasonable attorney's fees.

**6. THIS NOTE SECURED BY A MORTGAGE**

In addition to the protections given to the Note Holder under this Note, a Second Mortgage, dated the same day as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Second Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note.

Some of those conditions are described as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person), Lender may, at its option, require immediate payment in full of all sums secured by this Second Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Second Mortgage, or if Lender has executed a separate written waiver of this option.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered to or mailed within which Borrower must pay all sums secured by this Second Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Second Mortgage without further notice or demand on Borrower.

**This Note and the Second Mortgage are non-assumable.**

**7. BORROWER'S WAIVERS**

I waive my rights to require the Note Holder to do certain things. Those things are (A) to demand payment of amount 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"). Any co-signer, guarantor, surety or endorser who agrees to keep the promises I have made in this Note, by signing this Note or by executing a separate agreement to make payments to the Note Holder if I fail to keep my promises under this Note, or who signs this Note to transfer it to someone else also waives these rights.

**8. GIVING OF NOTICES**

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified mail, postage prepaid, addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder a notice in writing of my different address.

Any notices that must be given to the Note Holder under this Note will be given by mailing it by certified mail, postage prepaid, to the Note Holder at the Lender's address stated in Section 1 above. A notice will be mailed to the Note Holder at a different address if I am given a notice of that different address.

**9. RESPONSIBILITY OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together and may enforce its rights against any of us in any order. This means that any one of us may be required to pay all of the amounts owed under this Note.

**NOTICE TO BORROWER**

**DO NOT SIGN THIS NOTE IF IT CONTAINS BLANK SPACES.  
ALL SPACES SHOULD BE COMPLETED BEFORE YOU SIGN.**

\_\_\_\_\_  
**BORROWER**

\_\_\_\_\_  
**BORROWER**

\_\_\_\_\_  
**Printed Name of Borrower**

\_\_\_\_\_  
**Printed Name of Borrower**

\_\_\_\_\_  
**BORROWER**

\_\_\_\_\_  
**BORROWER**

\_\_\_\_\_  
**Printed Name of Borrower**

\_\_\_\_\_  
**Printed Name of Borrower**

**(SIGN ORIGINAL ONLY)**