

DEFERRED-PAYMENT LOAN PROMISSORY NOTE

FIRST TIME HOMEBUYER PROJECTS CITY OF LOWELL, MASSACHUSETTS

This agreement is entered into this _____ **DAY OF** _____ 2012. For value received, the undersigned, **NAME** (herein after referred to as the "BORROWER"), promise to pay to the order of the City of Lowell (herein after referred to as the "LENDER"), acting by and through its Division of Planning and Development, located in Lowell, Massachusetts or such place as the holder hereof may designate in writing, the sum of **AMOUNT TEXT Dollars, (\$0,000.00)**, without interest on the unpaid balance from the date hereof. This note shall be due and payable upon the sale, transfer of ownership or refinance for the purpose of obtaining equity of the property at **LOT DESCRIPTION, Lowell, Massachusetts**, covered by the mortgage securing this note.

This note shall, at the option of the City of Lowell become immediately due and payable without notice or demand by the City to the Borrower upon the occurrence of a default under this note or the mortgage securing this note which default is not corrected within thirty (30) days of the City giving written notice of such default to the Borrower, which notice shall be deemed given when mailed to the undersigned at **LOT DESCRIPTION, Lowell, Massachusetts**, by certified mail, return receipt requested, postage prepaid. The failure of the City to exercise its option to accelerate shall not constitute a waiver of the right to exercise such option at any other time.

If suit is instituted by the City to enforce payment of this note, the Borrower agrees to pay any and all costs of such enforcement, including reasonable attorneys' fees and court costs.

In fulfilling the terms and provisions of the Deferred Payment Loan Agreement, the Borrower further agrees:

- A. To comply with all applicable provisions of the HOME Program pursuant to the Cranston-Gonzalez National Affordable Housing Act of 1991 and the regulations adopted by HUD under the HOME Program as contained in 24 CFR 92 et. seq. (the HOME regulations).
- B. To execute and deliver to the Lender, in addition to this agreement, a Mortgage and Security Agreement on a form acceptable to the Lender. After acceptance by the Lender, the Lender or its designee shall record said Mortgage and Security as a lien on the structure located at **LOT DESCRIPTION, Lowell, Massachusetts**, in the Northern Middlesex Registry of Deeds. Cost of recording and any other costs associated with participation in this program shall be paid by the Borrower.

BORROWER REQUIREMENTS

- 1. The Borrower certifies to be a "First-Time Homebuyer", as defined by the United States Department of Housing and Urban Development and/or the City of Lowell.
- 2. The Borrower has met the low-income threshold; that is, the Borrower has a gross annual income that does not exceed 80 percent of median income for the area adjusted for family size.
- 3. The Borrower must occupy the property as his or her principal residence.
- 4. Upon the sale, transfer or refinancing for the purpose of obtaining equity, of the real estate which is mortgaged as security for payment of this note, the entire principal balance shall be due and payable.

This Note is secured by a mortgage on the real estate located at **LOT DESCRIPTION, Lowell, Massachusetts**, and recorded in the Northern Middlesex Registry of Deeds.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, as of this date.

WITNESS my hand and seal this _____ **DAY OF** _____ 20__

NAME

Witness