

ARUNDEL COMMUNITY DEVELOPMENT SERVICES, INC.

**2666 Riva Road, Suite 210
Annapolis, Maryland 21401**

DEED OF TRUST NOTE

Date: _____

Where Signed: _____

Borrower(s): _____

Address of Property to be purchased (the "Property"):

1. Borrower's Promise to Pay. In return for the loan that I have received (the "Loan"), I promise to pay _____ Dollars (\$) (this amount will be called "Principal") to the order of the Lender. The Lender is Arundel Community Development Services which has its principal office at 2666 Riva Road, Suite 210, Annapolis, Maryland, 21401. The term "Lender" also refers to anyone who takes this Note in transfer and who is entitled to receive payments under this Note.
2. Disbursement. I understand that the Lender will disburse the Loan proceeds at closing.
3. Interest. There will be no interest charged on the loan.
4. Repayment. The Principal shall be payable in lawful money of the United States of America, which shall be legal tender in payment of all dues, public and private, at the time of payment. The said Principal shall bear interest at the rate of (0%) percent and shall be due and payable in full, subject to the terms and conditions contained herein immediately upon the first to occur of the following: (i) any sale or transfer of the Property described in the Deed of Trust of even date herewith securing the Note (ii) a default under the Deed of Trust or (iii) thirty (30) years from the date first noted above, or (iv) the Property is no longer occupied by the Borrower and said Property is leased to any persons or business entities.
5. Lenders Costs. I will also pay the costs of collection, including a reasonable attorney's

fee if this Note is referred to any attorney for collection after default.

6. Prepayments. I may prepay this note in part or in whole at any time without incurring any prepayment penalty. I understand however that prepayment will not affect my obligations under Section 4 above.
7. Deed of Trust. This Note is secured by a Deed of Trust, dated _____, 20__ to Kathleen M. Koch and Samuel F. Minnitte, Jr., as Trustees, in the same original Principal amount stated in Paragraph 1 above. The Deed of Trust imposes additional obligations on me. The Deed of Trust provides additional protection to the Lender if I fail to keep my promise made in the Note or in the Deed of Trust, or other documents described in the Deed of Trust. The Deed of Trust describes how and under what circumstances I may be required to make immediate payment in full of all amounts I owe under this Note.
8. Default. If I fail to make any payment under this Note when due, or if there is any sale, gift, or transfer of the property, or if any statement, information, or certification furnished by or on my behalf to the Lender is untrue or incorrect when made subsequently becomes untrue or incorrect, or if there is any event of default of any covenant or provision of this Note or the Deed of Trust, as applicable, and such default is not cured within the time period set forth in the written notice from the Lender or in the Deed of Trust, the entire unpaid principal balance shall at once become due and payable without notice, at the option of the Lender. Failure of the Lender to exercise this option shall not constitute a waiver of the right to exercise the option in the event of any subsequent default.
9. Borrower's Waiver. I waive diligence, presentment for payment, demand, protest, notice of protest, and notice of dishonor, and I expressly agree that the Note, or any payment under it, may be extended from time to time without any way affecting my liability.
10. Responsibility of Borrowers. 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 is also obligated to do these things. The Lender may enforce its rights under this Note against each of us individually or against all of us together, and any one of us may be required to pay all of the amounts owed under this Note. Upon satisfactory completion of all terms and conditions of this Note by the Borrower or upon payment of any and all balance due, the Borrower shall be entitled to a release and satisfaction of this Note by the Lender at the Borrower's own cost.

11. Capital Letters; Headings. Instructions on how to fill out this Note are in capital letters. Headings for Sections of the Note are not intended to limit the terms of the Note.

In Witness Whereof, I have executed this Note under Seal on the date shown above.

WITNESS:

BORROWER(S):

Signature of Borrower (SEAL)

Printed Name of Borrower

Signature of Borrower (SEAL)

Printed Name of Borrower

Signature of Borrower (SEAL)

Printed Name of Borrower

I hereby certify that this is the Deed of Trust Note secured by that certain Deed of Trust of even date from the Borrowers to Kathleen M. Koch and Samuel F. Minnitte, Jr., Trustees, covering real estate in Anne Arundel County, Maryland.

Dated the _____ day of _____, 20__.

Notary Public

My Commission Expires: _____