

COUNTY OF EL DORADO  
NOTE SECURING BUYER'S AGREEMENT

\_\_\_\_\_  
Borrower(s)

Unit No.: \_\_\_\_\_

Date: \_\_\_\_\_

The undersigned (hereinafter, "Borrower(s)"), jointly and severally, promise(s) to pay in lawful money of the United States to the order of THE COUNTY OF EL DORADO (hereinafter, "Holder"), or its successor or assignee at its principal place of business 937 Spring Street, Placerville, CA 95667, or at such other place as Holder may designate, the principal sum of sale proceeds received in accordance with the terms stated in Section 12 of the Affordable Housing Agreement (hereinafter, "Developer's Agreement") and further stated in Section 4 of the Affordable Housing and Buyer's Occupancy and Resale Restriction Agreement (hereinafter, "Buyer's Agreement").

It is further provided that the entire sum is due and payable when the property changes title. If a transfer is to a Spouse due to death or dissolution such a transfer does not require immediate payment.

The indebtedness evidenced by this Note is secured by the Developer's Agreement and Buyer's Agreement signed by Borrower(s) of even date.

1. Borrower(s) hereby represents and warrants to Holder, and covenants as follows:

- (a) The execution, delivery, and performance pursuant to this Note are not in contravention of law or any indenture, agreement, or undertaking to which Borrower(s) is a party or by which it is bound and the same are within Borrower's powers and have been duly authorized and are not in contravention of any source of Borrower's authority.
- (b) Borrower(s) has, or at the time of execution, delivery, and performance of this Note, will have, lawful right to the security and has an unqualified right to assign and grant, liens and security interests to the Holder therein.
- (c) All information furnished by Borrower(s) to Holder concerning the security is and will be complete, accurate and correct in all material respects at the time the same is furnished.
- (d) The security is, and for so long as any of Borrower's obligations to Holder remain unpaid, will remain, free of any subsequent liens, charges, security interests, encumbrances, and adverse claims, except for the benefit of Holder.

2. Each of the following occurrences shall constitute an event of default: (1) The Borrower's becoming insolvent or bankrupt or being unable or admitting in writing its inability to pay its debts as they mature or making a general assignment of the benefit of or entering into any composition or arrangement with creditors; (2) Proceedings for the appointment of a receiver, trustee, or liquidator of the assets of the Borrower(s) or a substantial part thereof, being authorized or instituted by or against the Borrower(s); (3) Proceedings under any bankruptcy,

reorganization, readjustment of debt, insolvency, dissolution, liquidation or other similar law of any jurisdiction being authorized or instituted against the Borrower(s); (4) Failure to pay taxes and insurance when due; (5) Unauthorized change in residency or use; or (6) Failure to maintain property in good repair.

3. No delay or failure of Holder in the exercise of any right or remedy hereunder or under any other agreement, which secures or is related hereto, shall affect any such right or remedy, and no single or partial exercise of any such right or remedy shall preclude any further exercise thereof, and no action taken or omitted by Holder shall be deemed a waiver of any such right or remedy.
4. Any notice to the Borrower(s) provided for in this Note shall be given by mailing such notice by certified mail addressed to the Borrower(s) at the address stated in the Deed of Trust, or to such other address as the Borrower(s) may designate by written notice to the Holder. Notice to the Holder shall be given by mailing such notice by certified mail, return receipt requested, to the Holder at the address stated in the Note, or such other address as may have been designated by written notice to Borrower(s).
5. If suit is brought to collect on this Note, the Holder shall be entitled to collect all reasonable costs and expenses of said suit, including reasonable attorney's fees.
6. This Note shall be binding upon the Borrower(s) and its successors and assigns and upon the Holder and its successors and assigns.
7. The Note shall be construed and enforced in accordance with the laws of the State of California.

Signed: \_\_\_\_\_  
Borrower

Signed: \_\_\_\_\_  
Borrower