

**PROMISSORY NOTE
ARKANSAS DEVELOPMENT FINANCE AUTHORITY
NATIONAL HOUSING TRUST FUND PROGRAM**

DATE: , 2025

REPAYABLE PRINCIPAL \$

REPAYMENT SUM:

REPAYMENT INSTALLMENTS:

REPAYMENT INSTALLMENT AMOUNT:

FIRST PAYMENT DUE DATE: **One (1) year from the date of the first Certificate of Occupancy (temporary or permanent) on the first residential building completed in the Project (the “Occupancy Date”).**

MAKER:

COUNTY:

MAILING ADDRESS:

LEGAL DESCRIPTION:

SEE EXHIBIT “A” (hereafter the “Property”)

1. Terms and Payment.

This Promissory Note
(the “Note”) is payable as follows:

In **monthly payments** equal to [**Dollar Amount**]. This loan shall be payable at [**Percentage**] per annum, over a term of [**Number of Years**] years with the final payment due [**Number of years plus one**] years after the Occupancy Date (the “Maturity Date”). This loan shall be amortized over a [**Number of Years**] year period, with the first payment beginning one (1) year from the Occupancy Date. All accrued and unpaid principal and interest shall be due on the Maturity Date.

The installments under this Note shall be payable to the Arkansas Development Finance Authority (“ADFA”), P.O. Box 8023, Little Rock, AR 72203, or such other place as the holder may designate in writing.

2. Right of Prepayment. Maker shall have the right of prepayment at any time.

3. Late Fees. Maker shall pay to ADFA a late charge of five percent (5%) of any monthly installment not received by ADFA within fifteen (15) calendar days after the installment is due.

4. Default. Except as provided in the Mortgage and after the expiration of all applicable notice and cure periods as provided in the Mortgage, if at any time, there shall be a default in the payment of any installment aforesaid, or any part thereof, when due, or upon the failure to perform or comply with any of the covenants or agreements contained in the mortgage given to secure the payment of this Note, the entire principal balance shall, at the option of ADFA,

be at the maximum legal rate until the default is cured. Upon the failure of the Maker hereof to pay any installment of principal or interest when due, ADFA may accelerate this Note and declare the total hereof due and payable.

5. **Waiver of Notice and Presentment; Attorney's Fees.** The sureties, endorsers and makers of this Note, as well as the Maker (collectively, the "Obligated Parties"), agree to and do hereby waive demand or presentation of the Note for payment to the Maker hereof and waive protest and notice of non-payment and do hereby grant to ADFA or any holder of this Note the right to grant extension without notifying them, hereby ratifying such extension and remaining bound by the Note. Further, the Obligated Parties agree to pay all costs and reasonable attorneys' fees should it become necessary to retain legal counsel to take action for collection of this Note.

6. **Nonrecourse.** This loan is a nonrecourse obligation of Maker and other Obligated Parties. Neither Maker nor any of its members, partners, nor any other party shall have any personal liability for repayment of the loan. The sole recourse of ADFA under this Note and any other loan documents for repayment of this loan shall be the exercise of its rights against the property and related security thereunder.

7. **Governing Law.** This Note shall be construed and interpreted in accordance with Arkansas law and applicable federal law, including 24 CFR Part 93.

Executed on this ____ day of _____, 2025

MAKER:

By:
Its:

By: _____
Name:
Its:

STATE OF _____ §
COUNTY OF _____ §

ACKNOWLEDGMENT

On this ____ day of _____, 2025, before me, a Notary Public, duly commissioned, qualified and acting, within and for the said County and State, appeared in person the within named _____, to me personally well known, who stated that s/he is the _____ of _____, which is the _____ of _____, and is duly authorized in such capacity to execute the foregoing instrument for and in the name and behalf of said company, and further stated and acknowledged that s/he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this ____ day of _____, 2025.

Notary Public

My Commission Expires: _____

Exhibit “A”

LEGAL DESCRIPTION