

**Date: May 18, 2006**  
**Place: Newton, Massachusetts**  
**Term: Fifty (50) Years**

### **PROMISSORY NOTE**

FOR VALUE RECEIVED, Citizens for Affordable Housing in Newton Development Organization, Inc. (called the "Borrower"), promises to pay to the order of the City of Newton (called the "City"), the sum of one three hundred fifty thousand dollars (\$350,000) and to pay simple interest on the unpaid principal amount of this Note (as hereinafter defined) at the rate of zero (0%) percent per annum until paid in full.

#### Deferral and Cancellation:

(a) Subject to the Declaration of Affordable Housing Covenants (called the "Restriction") attached hereto and made a part hereof, Borrower shall have no obligation to pay the principal, interest, or any other outstanding charges due hereunder for the term of this Note provided that:

- (1) Borrower maintains 2 units of the 2-unit property at 11-13 Cambria Road ("Property") as affordable rental housing as further described in the Restriction; and
- (2) Borrower complies with all terms and requirements as described in the Restriction and a certain Funding Agreement dated May 18, 2006.

(b) Provided that the Borrower has satisfied the terms of this Note, this Note shall be forgiven and this instrument cancelled at the expiration of the Term.

#### Security

This Promissory Note is secured by a Mortgage on real property located at 11-13 Cambria Road, Newton which Mortgage shall be recorded at the Middlesex South Registry of Deeds.

#### Events of Acceleration

Acceleration of this Note shall be triggered if any of the following events occur:

1. A transfer or change in ownership of the Property, without the City's prior written approval; or
2. Failure of Borrower to pay any tax or assessment when due or failure to comply with the requirement of every applicable statute, law, ordinance, regulation or order whether in effect on the date of this Note or hereafter enacted or made by any Federal, State, municipal, or other public body affecting the use or occupation of the Property.
3. Failure of Borrower to make payment on any loan or comply with any provision of a senior loan which is secured by the Property.
4. Failure of borrower to comply with the terms of the Funding Agreement, Declaration of Affordable Housing Covenants, and Mortgage of even date.

Attorney's Fees/Costs

If suit is instituted by the City to recover on this Note, the Borrower agrees to pay all costs of such collection, including reasonable attorneys' fee and court costs.

Notices

Borrower shall promptly notify City of the occurrence of any of the following: a fire or other casualty damage to the Property; receipt of notice of violation from any governmental authority relating to the use, structure or occupancy of the Property; receipt of notice of eminent domain proceedings or condemnation of the Property; any change in the use of the Property; commencement of any litigation affecting the Property, except for termination of tenancies and other litigation where amounts in dispute do not exceed \$25,000; any proposed transfer or change in the ownership of the Property; or receipt of notice of default on any prior lien.

City shall provide written notice to Borrower of any default hereunder and thereafter the Borrower shall have 60 days in which to cure such alleged default before the City shall become entitled to pursue any remedies hereunder. Such 60 day period may be extended upon evidence of Borrower's good faith efforts to take steps to cure such alleged default during such 60 day period.

Waiver

Notice of presentment, demand for payment, protest and notice of demand for payment and protest are hereby waived.

IN WITNESS WHEREOF, this Promissory Note has been duly executed by the undersigned.

**Citizens for Affordable Housing in Newton Development Organization, Inc.**

Josephine McNeil  
Josephine McNeil, Executive Director

Date: 5/18/2006

Marie M. Lumber  
Witness

Date: 5/18/2006