



P.O. Box 260
587 Old Mammoth Rd. #5
Mammoth Lakes, CA 93546
(760) 934-4740

DO NOT DESTROY THIS NOTE: When paid, this Note and the Deed of Trust must be surrendered to the Trustee, listed below, with request for reconveyance.

PROMISSORY NOTE SECURED BY DEED OF TRUST

Deferred Payment Loan - Owner Occupant

Loan Amount: \$ _____
Town of Mammoth Lakes, California, _____, 2006

SAMPLE

FOR VALUE RECEIVED, _____, (hereinafter called "Trustor"), solely and severally, promise(s) to pay the Town of Mammoth Lakes, Mammoth Lakes Housing, P.O. Box 260, Mammoth Lakes, CA 93546, the sum of \$ _____. The loan is deferred for thirty years at which time the loan becomes due and accrues interest at 3%.

Repayment of this Note shall be deferred for thirty (30) years from the date of this Note. Beginning with the first month of the thirty-first year, the Deferred Payment Loan principal shall be repayable at the rate of \$ _____ per month for 179 months, with a final payment of \$ _____ in the 180th month.

Transfer of ownership of the property or cessation of residence on the property shall constitute default, and the entire principal on the date of default will become immediately due and payable. Failure of the Lender to formally declare or act upon such default shall not constitute a waiver. Demand, protest and notice of demand and protest are hereby waived.

The undersigned reserve(s) the right to prepay at any time all or any part of this Note without the payment of penalties or premiums to the Lender. Any and all payments on this Note shall be applied to the principal due on the Note.

The Trustor shall abide by all covenants contained in the Loan Agreement. In the event of any inconsistencies between this Note and the Loan Agreement, the latter shall prevail.

Should suit be commenced to collect payments due under this Note or any portion thereof, the prevailing party may recover reasonable attorney's fees in addition to any other relief allowed by law. This Note is secured by a certain DEED OF TRUST to the _____ Company, a California Corporation, as Trustee.

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

Trustor

Date