**PROMISSORY NOTE**

$[amount]

In consideration of value received pursuant to the sale of [type of business] assets, [Borrower company name], its successors and assigns, and [individual Borrower name(s)], individually (collectively, “Borrower”), promises to pay to [Lender company name), or its successors and assigns (hereinafter, “Lender”), the principal sum of [amount] and 00/100 Dollars ($[amount]), plus interest at the annual rate of [amount] percent ([amount]%) with first payment due on [date].

1. PAYMENT AND TERMS. Principal and interest shall be due and payable according to the attached Payment Schedule which is incorporated by reference into this Note.
2. SECURED OBLIGATION. This note is secured to the real estate located at [address], as evidenced by the Mortgage on this property executed by [individual Borrower name(s)] and incorporated into this Agreement by reference.
3. GRACE PERIOD. If any principal or interest payment is not received by Lender within ten (10) days of its due date, the Borrower shall pay Lender, at Lender’s option, (a) a late fee in the sum of $[amount], or [amount] percent ([amount]%) of the overdue payment, whichever is greater, and (b) to the extent not prohibited by law, all costs and expenses, including reasonable attorney fees and court costs incurred by Lender in connection with the collection of any past due principal and/or interest payment upon this Note.
4. PREPAYMENT. This Note may be prepaid at any time without penalty or premium.
5. EVENTS OF DEFAULT. This Note may be accelerated by Lender upon the occurrence of any of the following events (“Events of Default”):
   1. Nonpayment of principal or interest hereunder at expiration of Grace Period; or
   2. Borrower enters into any merger, consolidation, reorganization, or liquidates, winds up, or dissolves itself (or suffers any liquidation or dissolution), or conveys, sells, assigns, leases, transfers, or otherwise disposes of, in one transaction or a series of transactions, substantially all of its business, property or assets, whether now owned or hereafter acquired; or
   3. Voluntary or involuntary bankruptcy, reorganization, insolvency, arrangement, receivership or similar proceedings are commenced by or against Borrower; or
   4. Borrower suspends payment of its obligations, or admits in writing its inability to pay its debts generally as they become due.
6. ACCELERATION OF PAYMENT. The entire principal amount of this Note, together with all accrued interest, shall immediately become due and payment, without demand for payment, notice of nonpayment, presentment, notice of dishonor, protest, notice of protest, or any other notice or demand, upon any Event of Default.
7. AMENDMENTS IN WRITING. All amendments to this Note must be in writing and signed by both Lender and Borrower.
8. INTEGRATION. This Note, Payment Schedule, and Mortgage represent the entire agreement about this subject matter, and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Note merge into this Note.
9. COUNTERPARTS. This Note may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, are an original, and all taken together, constitute one Note.
10. WAIVER. No failure or delay on the part of the holder this Note or to exercise any power or right under this Note shall operate as a waiver of such power or right or preclude other or further exercise thereof or the exercise of any other power or right. No waiver of any condition or performance will operate as a waiver of any subsequent condition or obligation.
11. ASSIGNMENT. This Note may be assigned or pledged by Lender to any person or entity. This Note may not be assigned by Borrower.
12. COSTS AND ATTORNEY FEES. If an event of default occurs under this Note and Lender consults an attorney regarding the enforcement of any of its rights under this Note, or if this Note is placed in the hands of an attorney for collection, or if suit be brought to enforce this Note, Borrower promises to pay all costs thereof, including attorney fees. Said costs and attorney fees shall include, without limitation, costs and attorney fees in any appeal or in a proceeding under any present or future federal bankruptcy act or state receivership.
13. GOVERNING LAW. This Note shall be construed, enforced and otherwise governed by the laws of the State of [State]. Venue for any enforcement action shall be in [County] County, [State].
14. TIME OF ESSENCE. Time is of the essence for the performance of all obligations of the Borrower in this Note. No delay or omission on the part of the holder in exercising any right hereunder shall operate as waiver of such right or any other right of the holder. No delay, omission or waiver on any one occasion shall be deemed a bar to or waiver of the same or any other right on any future occasion.

By: [BORROWER]

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# STATE OF [State] )

) ss:

COUNTY OF [County] )

On this \_\_\_\_\_ day of [month], 20\_\_\_\_, [individual Borrower name] personally appeared before me, duly sworn, did state that they are the [position] of [Borrower company name], the company named in the foregoing instrument, and that the said instrument was executed in behalf of said company, and they acknowledged said instrument to be the free act and deed of said company.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public

**PERSONAL GUARANTEE OF OBLIGATION OF [BORROWER COMPANY NAME]**

FOR VALUE RECEIVED, the undersigned jointly and severally hereby guarantee absolutely and unconditionally prompt payment of this Note and agree to pay all cost of collection, legal expenses and attorneys' fees, incurred or paid by the holder of the within Note in the collection and/or enforcement of said Note and the enforcement of this Personal Guarantee.

No renewal or extension of said Note, no release or surrender of any security for said Note or this Personal Guarantee, no release of any person primarily or secondarily liable on said Note (including any maker, endorser or guarantor), no delay in the enforcement of payment of said Note or this Personal Guarantee and no delay or omission in exercising any right or power under said Note on this Personal Guarantee shall affect the liability of any of the undersigned hereunder. The undersigned expressly waives presentment, protest, demand, notice of dishonor or default, notice of acceptance of this Personal Guarantee and notice of any kind with respect to said Note or this Personal Guarantee or the performance of the obligation under said Note or Personal Guarantee.

PERSONAL GUARANTORS:

[individual Borrower name]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[individual Borrower name]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# STATE OF [State] )

) ss:

COUNTY OF [County )

On this \_\_\_\_\_ day of [month], 20\_\_\_\_, [individual Borrower name(s)] personally appeared before me, duly sworn, did state that they acknowledge that they are personally guaranteeing the obligation of [Borrower company name], said guarantee being made freely and voluntarily with full understanding of their actions.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public