



EXHIBIT B

STATE OF NEW MEXICO
INCORPORATED COUNTY OF LOS ALAMOS

SECURED PROMISSORY NOTE TO
THE INCORPORATED COUNTY OF LOS ALAMOS

AMOUNT: \$ _____

Date: _____

FOR VALUE RECEIVED, the undersigned, _____
(whether one of more, hereafter "Promisor") promises to pay to the **Incorporated County of Los Alamos** ("County" or "Promisee"), an incorporated County of the State of New Mexico, or at such other place as the County may hereafter designate in writing, the principal sum of _____
_____ (\$ _____ US) ("Principal"), with _____
PERCENT (___ %) ANNUAL INTEREST accruing on the unpaid Principal balance during the _____ (____) **YEAR** Affordability Period ("Loan"), pursuant to that certain Mortgage of even date between the parties, or so much thereof as may from time to time be owing hereunder by reason of advance by the County to or for the benefit or account of Promisor under the terms of this Note and the Mortgage. Repayment shall further occur as provided below:

1. The Promisee shall disburse the Loan proceeds to the selected Title Company pursuant to Los Alamos County Ordinance No. 02-270, and the Los Alamos County Homebuyer Assistance

Program (“Program”) policies and procedures (“Policies and Procedures”). Disbursements shall be wired to the Title Company on the date of closing and shall equal the Principal agreed to in this Note.

2. In coordination with Los Alamos Housing Partnership, Inc. (“LAHP”) and pursuant to the Program Policies and Procedures, County will only distribute such Loan Principal to the Title Company closing the sale of the Property. The Title Company will present the Note and Mortgage documents for signature by the Borrower at closing and will be responsible for recording these documents.
3. There will be no regular payment, amortized or unamortized, of the Principal and any interest that may occur on this Loan, subject to the exceptions as specified in the Mortgage and this Note. Promisor shall promptly pay the entire, outstanding Principal and interest due and other indebtedness evidenced by the Note and Mortgage if at any time Promisor: (a) fails to maintain the Property as the Promisors’ principal residence; (b) sells the Property; (c) vacates the Property; or (d) transfers or conveys, voluntarily or involuntarily, in any manner all title to the Property, all in accordance with the terms of the Mortgage and this Note. Promisor may prepay any or all of the outstanding Principal and interest amount of the Loan at any time without penalty. Upon receipt of payment in full, Promisee shall thereupon release its Mortgage, which restricts the use of the Property, and cancel and return this Note to Promisor.
4. So long as any or all of the Principal of the Loan is unpaid and outstanding, Promisor shall maintain the Property as Promisor’s principal residence and shall ensure compliance with all terms of the Mortgage signed simultaneously with this Note.
5. If Promisor defaults under the terms of this Note or the Mortgage, or under any other mortgage or secured or unsecured lien on the Property superior to or junior to the Mortgage, Promisee may, at its option, accelerate maturity at which time the entire unpaid Principal and interest of the Loan shall become immediately due and payable without demand or notice. If this Note is reduced to a judgment, the judgment shall bear interest at the statutory allowed rate.
6. If this Note is placed in the hands of any attorney for collection or is collected through probate or bankruptcy court or through other legal proceedings, Promisor agrees to pay all costs of collection including reasonable attorneys’ fees and court costs.

7. Presentment, notice of dishonor, and protest are hereby specifically waived by Promisor. "Presentment" means the right to require the Promisee to demand payment of amounts due. "Notice of dishonor" means the right to require the Promisee to give notice to other persons that amounts due have not been paid.
8. This Note is not assignable unless agreed to in writing by Promisee. This Note shall be binding upon the Promisor and its successors and assigns. Promisor shall be jointly and severally liable under this Note.
9. Any notice to Promisor provided for in this Note shall be given by mailing such notice by certified mail, return receipt requested, addressed to Promisor at _____, **Los Alamos, New Mexico 87544**, or to such other address as Promisors may designate by written notice to the Promisee. Any notice to the Promisee shall be sent by registered or certified mail and shall be deemed to have been given and received seventy-two (72) hours after the same is so addressed and mailed postage prepaid, to the Promisee at **1000 Central Avenue, Los Alamos, New Mexico 87544** or at such other address as may have been designated by subsequent written notice of Promisors. Promisor shall also send a duplicate copy of any required notice to: **Los Alamos Housing Partnership, Inc., at 1362 Trinity Drive, Suite C-1, Los Alamos, New Mexico 87544** or to an address Promisee shall provide and update from time to time.
10. The indebtedness evidenced by this Note is the joint and several obligation of each Promisor, if there is more than one Promisor. The indebtedness evidenced by this Note is secured by a Mortgage on the real property and improvements thereon identified in the Mortgage, dated of even date with this Note, and reference is made to the Mortgage for rights of Promisee with regard to enforcement of the promises evidenced by this Note.
11. This Note shall be governed by law of the State of New Mexico. Promisee and Promisor agree, unless otherwise provided by law, that jurisdiction and venue shall be in the First Judicial District Court, Los Alamos Division as the parties and secured interests are located therein. In the event that any provision, covenant, or clause of this Security Instrument or the Note conflicts with applicable law, the Parties agree that such conflict shall not affect other provisions of this Note which can be given effect without the conflicting provision. To this end, the provisions of this Security Instrument and the Note are declared to be severable.

In Witness Whereof, this Note has been executed by the undersigned Promisor(s) in duplicate originals on the date first written above.

Promisor:

Promisor:

Name (Printed)

Date

Signature

ACKNOWLEDGEMENT

State of New Mexico)
) ss.
County of Los Alamos)

The foregoing Promissory Note was hereby acknowledged before me this ____ day of _____, 20__, by _____, _____, and _____, Promisor(s).

Notary Public

My commission expires: