



**FULTON COUNTY HOME OWNERSHIP
SECOND MORTGAGE LOAN
PROMISSORY NOTE**

Property Owner(s):
Property Address:
Loan Amount: \$XX,000.00
Date: April XX,XXXX

FOR VALUE RECEIVED I, _____ the Undersigned borrower(s) (hereinafter called "Borrower") jointly and severally promise(s) to pay to the order of Fulton County, a political subdivision of the State of Georgia (hereinafter called "Lender") the principal sum of: **\$Ten Thousand and 00/100 U.S. Dollars (\$10,000.00)**. If more than one person signs this Promissory Note, each person is fully and personally obligated to keep all promises made in this Note, including the promise to pay the full amount owed.

There will be no required regular monthly or annual payments under this Note. If there is no payment event before the end of the Affordability period, the borrower shall not be obligated to pay Fulton County any part of the loan amount. The Affordably Period is based on the amount of funds provided in this document, and to further assist Fulton County in preserving affordable housing. **The Note shall be made for the duration of five (5) years beginning on Closing date after the First Year of occupancy.**

The principal amount of this Note shall be immediately due and payable in lawful money of the United States at the Department of Finance of the Lender (payable to the Fulton County Home Ownership Program), or at such other place as shall be designated by the Lender, upon the occurrence of any of the following events at any time prior to the **Closing date 6 years later anniversary date of this Note:**

- (1) Breach of any provision of the Security Deed securing the Note; or
- (2) Transfer of ownership of the property or abandon the property described in the Security Deed (hereinafter referred as the "Property") including transfer to a lineal heir(s) upon the death of the Borrower; or
- (3) At such time as the Property ceases to occupy the property as its principal residence or;
- (4) Lender declares a default under the Deed.

Provided that this loan does not default and conditions of the note are met, the principal balance will be reduced by **20%** each year beginning at the end of Year 2 for the duration of the loan, and the Security Deed released and cancelled of record. If a transfer of the property is made to a lineal heir(s), upon the death of the borrower: the said lineal heir(s) is not typically eligible for assistance under the Fulton County Home Ownership Program and the said lineal heir must repay the loan in

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full or pay the amount remaining after satisfaction of the first mortgage and closing costs; if the lender permits the lineal heir to assume the first mortgage, and the lineal heir is HOME income-eligible, then the County's loan agreement should permit the lineal heir to also assume the HOME loan if he/she agrees to occupy the property as their principal residence and other deed restrictive covenant items for the entire affordability period then there are no net sale proceeds; if a lineal heir inherits the property and immediately sells it, he/she must repay the net sales proceeds up to the amount of the remaining balance of the HOME loan and if the lender permits the lineal heir to assume the first mortgage, and the lineal heir is over-income for HOME assistance, the lineal heir must repay the remaining balance of the HOME loan.

In the event that the Borrower shall fail to pay the principal amount of this Note when due and there was the occurrence of an Event of Default as defined in the hereinafter described Security Deed (which Event of Default is not cured within any applicable cure period) the Lender, after such notice to the Borrower as required by law, may, at Lender's option, declare all indebtedness evidenced hereby or secured by the Security Deed immediately due and payable and may, at Lender's option, institute a suit to recover on this Note and Security Deed or institute foreclosure proceedings under the Security Deed. If this Note is reduced to judgment, such judgment shall bear the statutory interest rate on judgments.

If suit is instituted by the Lender to recover on this Note, or if Lender commences foreclosure proceedings under the Security Deed the Borrower agrees to pay all costs of such collection, including reasonable attorneys' fees and court costs.

This Note is secured by a Security Deed of even date herewith executed by the Borrower to the Lender (hereinafter referred to as the "Security Deed"), duly filed for record in the Fulton County Courthouse.

Demand, protest and notice of demand and protest are hereby waived, and the Borrower hereby waives, to the extent authorized by law, any and all homestead and other exemption rights which would apply to the debt evidenced by this Note.

This note shall be constructed and enforced in accordance with Georgia law.

IN WITNESS WHEREOF, this Note has been duly executed by the Borrower, under seal, as of the date shown above.

BORROWER(S):

_____(SEAL)_____
Date

As to Borrower(s): Subscribed and sworn to before me this ____ day of ____, 2025.

Notary Public



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