

PROMISSORY NOTE

AMOUNT _____ DATE _____

FOR VALUE RECEIVED, _____
(hereinafter referred to as the COMMUNITY ASSOCIATION) promises to pay NATIONAL HOME MORTGAGE FINANCE CORPORATION (hereinafter referred to as the NHMFC) its assignee or successors-in-interest, without need of notice or demand the principal sum of _____
(P _____), Philippine Currency, with interest at the rate of _____
(_____%) percent per annum, payable in accordance with the terms and conditions hereunder set forth.

The proceeds of this Note shall be used exclusively for the purpose of acquiring the land covered by TCT No/s. _____, of the Registry of Deeds for _____, which the COMMUNITY ASSOCIATION shall LEASE/SELL to its members.

In consideration of the LEASE/SALE granted by the COMMUNITY ASSOCIATION to its members with respect to the unit/s awarded to each of them, said member shall pay the corresponding RENTAL/PURCHASE PRICE in accordance with the LEASE/PURCHASE AGREEMENT executed in connection therewith.

The Note shall be amortized and paid in accordance with the terms and conditions of payment set forth under the LEASE/PURCHASE AGREEMENT executed by its members.

In the event of default in the payment of the monthly rentals due from its members, the COMMUNITY ASSOCIATION shall nevertheless be liable, and if such default continues for more than THREE (3) months, the holder of this Note has the option to declare the entire amount of the obligation due and demandable and to foreclose the mortgage securing this Note and enforce such rights available to the Noteholder.

Any unpaid amount due on its respective due date shall be subject to a penalty at the rate of 1/15 OF ONE PERCENT (1/15 of 1%) per day of delay, until full payment thereof.

Acceptance by the Noteholder of payment beyond its due date shall not be considered as extending the time for the payment of the obligation under this note or as a modification of the terms and conditions thereof.

If action is brought to collect this note, the Noteholder shall further be entitled to collect cost and expenses of the proceedings, including but not separately limited to, Attorney's fees equivalent to at least 25% of the total amount due. In the event of foreclosure of mortgage securing the Note, I/we further bind myself/ourselves, jointly and severally to pay the deficiency, if any.

Any Court action arising from this Note shall be filed exclusively in the proper Court of the City of Makati.

COMMUNITY ASSOCIATION
PRINCIPAL BORROWER
By: _____

WITNESSES:
