

INSTALLMENT PURCHASE LAND CONTRACT

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BY: 

THIS AGREEMENT is made and entered into this 6th day of December, 2011 by and between Stonecrest Income and Opportunity Fund I, LLC ("Seller"), and Pamela J. Brown, [husband and wife], or [an individual] (hereinafter collectively referred to as "Buyer").

RECITALS

- A. Seller is the owner of real property and improvements consisting of a single family residence known as and located at 320 W Morrell St., Jackson, MI 49203.
- B. Seller desires to sell and Buyer desires to purchase the Property on the terms and conditions contained herein.
- C. Seller shall retain legal title to the Property until Buyer pays to Seller the Purchase Price under the terms and conditions as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and provisions contained herein, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller the Property, and all improvements located thereon, for the following price and on the following terms and conditions:

- 1. **PURCHASE PRICE:** The total Purchase Price for the Property shall be the sum of Fifteen Thousand and 00/100 Dollars (\$15,000.00).

- 2. **COMPONENTS OF PURCHASE PRICE:** The Purchase Price for the Property shall include:

- A. **Down Payment:** At the time that Buyer executes this Agreement, Buyer shall pay to Seller a Down Payment in the amount of \$2,000.00, which amount shall be applied to the Purchase Price.

B. Payment of Delinquent Property Taxes, Water Service Liens.

Seller shall pay be responsible for the payment of all delinquent property taxes assessed to the Property.

ASB
Buyer Initials

C. Balance of Purchase Price: The balance of the Purchase Price shall be paid in accordance with Section 4 of this Agreement, by Buyer's execution and delivery of a promissory note ("Note") in favor of Seller at Close of Escrow (as hereafter defined) in the principal amount of \$13,000.00, with interest, terms, security and conditions as set forth in Sections 4.C. and 4.D. below.

3. TAX AND INSURANCE RESERVES. Seller shall be entitled to require Buyer to fund a tax and insurance premium reserve account in the manner and for the purposes set forth below:

A. **THROUGHOUT THE PROBATIONARY PERIOD** (defined in Section 4.C. below) and, at the sole option of Seller, **AT ALL TIMES DURING THE TERM OF THE NOTE**, Buyer agrees to pay Seller such sums as Seller may from time to time estimate will be required to pay, at least thirty (30) days before due, the next due property taxes, assessments, insurance premiums for Lender's insurance, and similar charges affecting the Property, less all sums already paid by Seller, divided by the number of months to elapse before one month prior to the date when such property taxes, assessments, and premiums will become delinquent. Such sums ("Impound Payments") shall be held by Seller without interest or other income to the Buyer in order to enable Seller to pay such taxes, assessments and premiums. Impound Payments shall be included in the monthly payments to be made by Buyer as required by Sections 4.C. and 4.D.2. of this Agreement. Should Seller's estimation of property taxes, assessments, and premiums prove insufficient, the Buyer upon demand agrees to pay Seller such additional sums as may be required to pay said amounts before such charges become delinquent. Seller shall have the right, but shall NOT have the obligation, to pay property taxes, assessments and insurance premiums if Buyer has failed to make Impound Payments in the amounts demanded by Seller. The insurance premium component shall be eliminated from the Impound Payment if, and only if, Buyer has provided Seller with proof of the existence of fire and liability insurance

covering the Property in an amount at least equal to the principal amount remaining due on the Note, and naming Seller as an additional insured thereunder.

B. If at any time Buyer is in default under the terms of this Agreement during the Probationary Period, or defaults under the terms of the Note, Seller, at its sole option, may apply all or any portion of the Impound Payments that it holds pursuant to Section 3.A. to any amount due Seller under this Agreement or amount due under the Note and in such order as Seller may elect. If Seller has not so applied the Impound Payments prior to cancellation of this Agreement, the Seller shall be entitled to all such funds and will apply such funds as Seller may elect, in its sole discretion. Buyer's transfer in fee of all or a part of the Property to a third party shall automatically transfer to the grantee all or a proportionate share of Buyer's rights and interest in the Impound Payments accumulated under Paragraph 3.A.

NOTICE TO BUYER: THIS AGREEMENT (AT SECTION 7) REQUIRES THAT YOU OBTAIN AND MAINTAIN FIRE AND LIABILITY INSURANCE FOR THE PROPERTY IN AN AMOUNT AT LEAST EQUAL TO THE PRINCIPAL AMOUNT OF THE NOTE. UNTIL SUCH TIME AS YOU PROVIDE PROOF TO SELLER OF THE EXISTENCE OF SUCH INSURANCE, AND AT ANY TIME THAT SUCH INSURANCE LAPSES OR IS CANCELLED FOR ANY REASON, SELLER WILL MAINTAIN IN EXISTENCE A POLICY OF LENDER'S INSURANCE IN AN AMOUNT AND WITH TERMS AND COVERAGE DETERMINED SOLELY AT THE DISCRETION OF SELLER. SUCH A POLICY SHALL BE SOLELY FOR THE PROTECTION OF SELLER'S INTEREST IN THE PROPERTY AND SHALL NOT BE FOR THE BENEFIT OF BUYER, NOR SHALL THE POLICY NECESSARILY COVER THE VALUE OF THE PROPERTY. BUYER SHALL NOT BE NAMED AS AN ADDITIONAL INSURED ON ANY POLICY PROCURED HEREUNDER BY SELLER.

4. **TERMS OF PAYMENT; TITLE:** The Purchase Price for the Property shall be paid as follows:

A. **Down Payment:** Buyer shall pay to Seller the Down Payment on the date that Buyer executes this Agreement, by delivery to Seller of this executed Agreement together with the amount of the Down Payment, either by cashier's check or money order.

B. **Delinquent Property Taxes, Water Service Liens:** If the Purchase Price includes the payment of delinquent property taxes and/or water service liens assessed to the Property (collectively "Delinquent Assessments"), Buyer must pay the Delinquent Assessments in their entirety on or prior to Close of Escrow. **SEE SECTION 2.B. ABOVE.**

C. **Probationary Installments:** Probationary period is waived.

D. **Balance of Purchase Price—Note and Mortgage:**

(1) The Balance of the Purchase Price shall be paid by Buyer's execution and delivery to Seller of a Note and a Mortgage. The Note shall be secured by a Mortgage encumbering the Property as a lien of first priority. Buyer shall execute the Note and the Mortgage referenced in this Section 4.D. on or before the date of Close of Escrow, as defined in Section 10 of this Agreement. The Mortgage shall be recorded concurrently with the recordation of the Quitclaim Deed (as defined below) in the County where the Property is located.

(2) The principal amount of the Note shall be equal to the Purchase Price, less the Down Payment. The Note shall earn interest at the rate of 7.00% per annum. The Note will be dated as of the date this Agreement is executed, and shall be paid over a term of Forty Eight (48) months from the date that is the first day of the second month after the date that this Agreement is executed. Payments on the Note will be payable in equal installments in the amount of \$ 311.30 per month ("Monthly Installment"), on the first day of each month, commencing on February 1, 2012. The Monthly Installment includes principal and interest of \$ 311.30, an impound payment for property taxes in the amount of \$ 0.00 and a further impound payment for insurance premiums in the amount of \$ 0.00. Buyer will purchase their own insurance and pay property taxes. Buyer will provide proof of insurance to Seller. Each Probationary Installment paid by Buyer in accordance with Section 3.C. of this Agreement shall be credited to the Monthly Installment due on the Note. **SEE ALSO SECTION 3 RE: TAX AND INSURANCE RESERVES.**

E. **Recordation of Quitclaim Deed and Mortgage; Conditions.**

Upon: (i) Buyer's payment of the Down Payment and the Delinquent Assessments in full and (ii) Buyer's execution and delivery of the Note and the Mortgage to Seller, Seller shall record in

the County in which the Property is located a Quitclaim Deed to the Property, transferring to Buyer record title to the Property, and shall simultaneously record the Mortgage. Seller will not provide a policy of title insurance to Buyer. Buyer may, its Buyer's sole cost, obtain a policy of title insurance from a title insurance issuer of Buyer's choice.

5. **POSSESSION PRIOR TO RECORDATION OF QUITCLAIM DEED;**
DEFAULT ON NOTE: Buyer shall have the right to possession of the Property as of the date that (i) Buyer has paid to Seller the Down Payment, and (ii) delivered to Seller a fully-executed copy of this Agreement. Buyer's possession of the Property shall be with all of the attendant benefits and burdens of ownership, while the Probationary Payments are being paid; provided that, during the period prior to Close of Escrow and while Buyer is making the Probationary Payments to Seller, Seller's and Buyer's status with respect to each other is that of landlord and tenant, respectively. If, for any reason, Buyer shall fail to make a timely payment of the Probationary Payments as required by the terms of this Agreement, Seller may, at its sole discretion, serve upon Buyer a Ten (10)-Day Notice to Quit. If Buyer has not timely cured the Probationary Payment default set forth in the Ten-Day Notice to Quit within ten (10) calendar days of the service of said Notice, Buyer shall **immediately** vacate the Property and turn over possession of the Property, including the keys, to Seller in care of its designated local representative. Said representative shall be identified in the Ten (10)-Day Notice to Quit. If Buyer does not timely cure the default by bringing current all unpaid Probationary Payment(s) and fails to vacate the Property in accordance with the Ten-Day Notice to Quit, Seller shall be entitled to exercise all rights of a landlord under applicable local law to evict Buyer from the Property. Whether Buyer delivers possession of the Property to Seller voluntarily or after eviction, Buyer shall not be entitled to any reimbursement of the Down Payment or the Probationary Payments made to that point; all of said payments shall be deemed earned by Seller and forfeited by Buyer.

6. **PROPERTY TAXES.** *[THIS PARAGRAPH SHALL ONLY BE APPLICABLE IN THE EVENT THAT SELLER ELECTS NOT TO REQUIRE BUYER TO MAKE IMPOUND PAYMENTS FOR PROPERTY TAXES AS AUTHORIZED BY PARAGRAPH 3 OF THIS AGREEMENT]* Buyer shall be responsible for the payment of real property taxes assessed against the Property and Buyer shall pay said taxes to the tax collector in the county in which the Property is located prior to the due date of each property tax installment. Seller shall timely

deliver to Buyer any tax bill it has received for the Property for the tax period in which the sale of the Property is completed. Buyer shall be solely responsible for the payment of all current and delinquent property taxes and assessments charged to the Property. Seller shall have no responsibility for payment of any property taxes applicable to the Property.

7. FIRE AND HAZARD INSURANCE: SELLER REQUIRES THAT BUYER OBTAIN AND MAINTAIN A POLICY OF FIRE AND HAZARD INSURANCE COVERING THE PROPERTY AT THE TIME THAT BUYER TAKES POSSESSION OF THE PROPERTY UNDER THE TERMS OF THIS AGREEMENT. WHENEVER OBTAINED, BUYER SHALL NAME SELLER AS AN ADDITIONAL INSURED UNDER THE INSURANCE POLICY.

Prior to the Close of Escrow, Buyer MUST have acquired, and must continue to carry and maintain during the term of the Note, fire and hazard insurance, with extended coverage endorsement for the benefit of Seller and Buyer, on all improvements located on the Property in an amount at least equal to the total unpaid balance of the Note. In the event that Buyer has defaulted in any of the Probationary Payments on the Note required by this Agreement and Seller has extended the time for Buyer to complete its obligation to make Probationary Payments, Seller may, at its sole discretion, require Buyer to procure fire and hazard insurance pursuant to the requirements of this Section 7 notwithstanding that Buyer has not recorded the Quitclaim Deed.

In the event of fire or other casualty resulting in damages to the improvements located on the Property covered by the Buyer's insurance policy, all insurance proceeds from any policy of insurance obtained by the Buyer pursuant to this Section 7 shall be paid to Seller up to the balance due on the Purchase Price.

Copies or certificates of such policies shall be delivered to Seller upon the issuance of the policy to Buyer, but in any event prior to recordation of the Quitclaim Deed. The policy shall contain a clause or endorsement to the effect that it may not be terminated or materially amended except after thirty (30) days' written notice to Seller. Buyer shall pay all premiums due for said insurance on or before their due date.

In the event that the Buyer has not obtained fire and hazard insurance for the Property by the date for recordation of the Quitclaim Deed and provided proof thereof to Seller, Seller may, at its sole option, either: (i) refuse to record the Quitclaim Deed, cancel this

Agreement and retain any payments made hereunder as its damages for Buyer's non-performance hereunder, or (ii) record the Quitclaim Deed and the Mortgage and procure forced-placed insurance for the Property in the amount of the unpaid balance of the Purchase Price and bill Buyer for the cost of the premium for such coverage. In the event that Seller elects to record the Quitclaim Deed and the Mortgage and obtain force-placed insurance, but Buyer fails to pay the premium for the force-placed insurance within 30 calendar days of Seller's billing, Seller may declare a default under the terms of the Mortgage and undertake all default remedies available under the terms of the Note and Mortgage.

8. **LIENS AND ENCUMBRANCES; CONDITION OF TITLE:** Seller makes **no representations or warranties** to Buyer regarding any liens or encumbrances affecting the Property, including but not limited to real property taxes, covenants, conditions, restrictions and easements, whether or not of record. Seller does warrant that it shall not cause, commit, or suffer any further or additional liens or encumbrances to be placed upon or imposed upon the Property prior to the recordation of the Quitclaim Deed without the prior written consent of Buyer.

9. **PERSONAL PROPERTY:** The following items of personal property are included within the purchase price and title to which shall be transferred to Buyer concurrent with the delivery of the Quitclaim Deed to Buyer: All built-in appliances and window coverings currently in the Property.

10. **ESCROW; CLOSE OF ESCROW; COSTS AND PRORATIONS:** Escrow for this transaction will be conducted by Stonecrest Income and Opportunity Fund I, LLC, 4300 Stevens Creek Boulevard, Suite 275, San Jose, CA 95129; escrow officer: NA. Provided that Buyer has paid all Probationary Payments in accordance with this Agreement, escrow shall close within three (3) business days after Buyer's deposit into Escrow of: (i) the Note and the Mortgage, duly executed and notarized, (ii) a policy of fire and hazard insurance procured by Buyer covering the Property and, (iii) if applicable, satisfactory written proof that Buyer has paid all Delinquent Assessments ("Close of Escrow"). Seller and Buyer shall split equally all escrow costs, transfer taxes applicable to this transaction, and costs to record the Mortgage and the Quitclaim Deed, in accordance with the usual and customary practices of the county in which the Property is located.

11. **NOTICES:** Any notices or demands to be given by one party to the other as required by this Agreement, or otherwise, shall be delivered by the deposit thereof in the United States mail, postage prepaid, registered or certified, with return receipt requested, and addressed to the parties as follows:

SELLER:

Stonecrest Income and Opportunity Fund I, LLC

Attn: Jon O. Freeman

4300 Stevens Creek Boulevard, Suite 275

San Jose, CA 95129

BUYER:

Pamela J Brown
3200 Morrell
PO. BOX 1789
JACKSON
MICHIGAN
49304

Any such notice shall be deemed to have been delivered two (2) business days after mailing by first class mail.

12. **TIME:** Time is of the essence of this Agreement. No waiver of any breach or default by any party hereto shall be considered to be a waiver of any other breach or default.

13. **NO WARRANTIES AND/OR REPRESENTATIONS:** Buyer hereby acknowledges, understands and agrees that Buyer has thoroughly inspected and examined the Property and has been afforded sufficient opportunity so to do. Buyer is familiar with all factors relevant to the Property's current and prospective use and its physical condition. Buyer further warrants and agrees that Buyer is familiar with and has examined and inspected or has been afforded sufficient opportunity to examine and inspect all matters with respect to taxes, assessments, municipal uses, use permits, zoning, soils conditions, covenants, conditions and restrictions, all aspects of its physical and structural condition related to the Property, and any and all other matters, facts or circumstances bearing upon

the value of the Property in Buyer's judgment and for Buyer's prospective purposes and uses. Buyer acknowledges that Buyer is purchasing the Property solely and exclusively in reliance upon Buyer's own knowledge, familiarity, inspection and examination and not in reliance upon any promise, warranty or representation by Seller not specifically set forth herein. Buyer further acknowledges that Buyer is acquiring the Property in its "as is" condition and that Seller has made no promises, warranties or representations, express or implied, oral or written, with respect to the property, or any other matter herein set forth, nor have any agents, employees or other representatives of Seller, and Buyer has not relied thereon for any purpose. In the event that any facts, conditions or circumstances change, or turn out differently from that which Buyer believes or knows concerning the Property and related matters as of the date hereof, Buyer's obligations hereunder shall remain in full force and effect, and with no right to delay payment or performance of the terms of this Agreement, or to seek any relief or compensation from Seller as a result thereof.

14. **BUYER'S INDEMNITY OF SELLER:** Buyer hereby indemnifies and holds Seller harmless, effective as of the date that Buyer takes possession of the Property, for any damages, liabilities, claims, litigation, or other obligations incurred or suffered by Seller which may occur as a result of activities or occurrences at the Property, including but not limited to, any and all damages to the improvements located on or about the Property and any persons who come onto the Property, whether owners, licensees, agents, invitees, employees, contractors or trespassers.

15. **ASSIGNMENT OF CONTRACT:** Buyer shall not transfer, sell or assign their interest in this Agreement or in the Property without the written consent of Seller. In the event of an acceleration of any senior encumbrance (by reason of a transfer, sale or assignment by the Buyer of its interest in the Property) the total amount of unpaid principal and interest due under this contract shall be immediately due and payable to Seller in order to protect the Seller against the loss of his security interest herein.

16. **CONSTRUCTION:** All words used in this agreement, including the words "Seller" and "Buyer" shall be construed to include the plural as well as the singular number and words used herein in the present tense shall include the future as well as the present, and words used in the masculine gender shall include the feminine and neuter gender.

17. **COUNTERPARTS:** This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all parties hereto, notwithstanding that all of the parties not signatory to the original or same counterpart.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

SELLER:

STONECREST INCOME AND OPPORTUNITY FUND I, LLC

By: [Signature]
JON O. FREEMAN, Managing Member

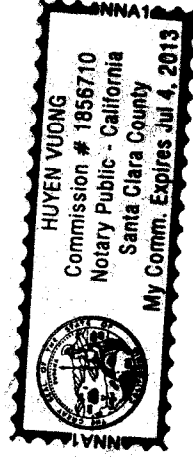
State of California)
) ss.
County of Santa Clara)

On 12/16/11 before me, Huyen Vuong, Notary Public personally appeared Jon O. Freeman who proved to me on this basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature] (Notary Seal)
Notary Public



BUYER:

Pamela J. Brown
Pamela J. Brown

State of MI)
County of Jackson) ss.

On 12-7-11 before me, Amanda J. Rudloff, Notary Public who personally appeared Pamela J. Brown who proved on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of MI that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Amanda J. Rudloff
Notary Public

AMANDA J. WINCHELL AKA: Rudloff.
NOTARY PUBLIC, Jackson County, MI
My Commission Expires Mar. 28, 2012
Acting in Jackson County

(SEAL)



NOTE

December 6TH, 2011
[Date]

JACKSON, MI
[City] [State]

320 W. MORRELL, JACKSON, MI 49203

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 13,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is STONECREST INCOME AND OPPORTUNITY FUND I, LLC. I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1ST day of each month beginning on FEBRUARY 1ST, 2012. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on JANUARY 1ST, 2016, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at Stonecrest Income and Opportunity Fund I, LLC 4300 Stevens Creek #275, San Jose, CA 95129 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 311.30.

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 10 _____ calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 10 _____ % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

10. UNIFORM SECURED NOTE

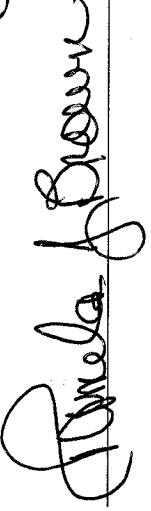
This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED





(Seal)
PAMELA J. BROWN- Borrower

(Seal)
- Borrower

(Seal)
- Borrower

[Sign Original Only]