

PROMISSORY NOTE

Principal Amount: \$ _____
Annual Interest Rate: _____ %
Term: _____ Years
Payments: Monthly- \$ _____ .00

City, State
Date

This Promissory Note (hereinafter ANote@) made and entered into this _____ day of _____, 200____, FOR VALUE RECEIVED, the undersigned, _____, Individuals/XState Corporation/XState Limited Liability Company, located at ADDRESS, CITY, STATE, ZIP (hereinafter ADebtor@) promises to pay to _____, located at ADDRESS, CITY, STATE, ZIP (hereinafter ACreditor@), the sum of _____ Dollars (\$ _____ .00), strictly upon the following terms and conditions:

PAYMENTS of _____ Dollars (\$ _____ .00) per month beginning on the _____ day of _____, 200____, and continuing on the first day of each month, for _____ (____) consecutive years thereafter until paid in full. The declining balance shall accrue interest at the rate of _____ percent (____%) per annum. Payments are calculated and set forth on the attached amortization schedule. If any payment is not paid in full when due, or within _____ (____) days thereafter, the undersigned agrees and promises to pay a late fee in an amount of _____ Dollars (\$ ____). Any late fees and payments due hereunder shall accrue interest at the rate of _____ percent (____%) per annum.

All payments made shall be applied first to accrued interest and the balance to the reduction of principal. There are no prepayment penalties and any additional payments made outside of the monthly payments above shall be directly applied to the reduction in principal.

In the event of Debtor=s default hereunder; defined as any payment being more than thirty (30) days past due, the Creditor may accelerate the balance owing hereunder without notice to Debtor.

If this Note is collected by an attorney after default in the payment of principal or interest, either with or without suit, the undersigned agrees to pay all costs and expenses of collection including reasonable attorney fees.

If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

The Debtor, sureties, guarantors and endorsers hereof severally waive presentment for payment, demand and notice of dishonor and nonpayment of this note, and consent to any and all extensions of time, renewals, waivers or modifications that may be granted by the Creditor hereof with respect to the payment or other provisions of this note, and to the release of any security, or any part thereof, with or without substitution.

This Note is secured by a Deed of Trust, dated DATE and attached to herewith. [OPTIONAL- This Note is also secured by a Personal Guarantee and attached to herewith]

This Note is to be governed by and construed in accordance with the laws of the State of STATE, venue to be COURT, COUNTY County, STATE.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

DEBTOR:

[Insert name]

STATE OF _____)
)
)
_____ COUNTY)

The foregoing Promissory Note was acknowledged before me on this _____ day of _____, 200____, by _____.

Witness my hand and official seal.

NOTARY PUBLIC

[optional Guaranty if Debtor is an entity, or if desiring a co-signer]

PERSONAL GUARANTY

insert name of individual who is personally guaranteeing Note. unconditionally personally guarantees all of the obligations of Debtor under this Note.

Date: _____

By: _____