RESIDUAL RECEIPTS NOTE
(Nonprofit Mortgagee)

For value received, the undersigned maker promises to pay to

the sum of

at

with interest at the rate of * % per annum, which shall not be compounded, subject to the following
conditions and limitations:

(1) Principal and interest on this note shall be due and payable on the maturity date of the note and mort-
gage insured by the Secretary of Housing and Urban Development financing FHA Project No. ____________,
provided that if the aforementioned note is prepaid in full, the holder of this note, at its option and
without notice, may declare the whole principal sum or any balance thereof, together with interest
thereon, immediately due and payable.

(2) Prepayments to principal and interest on this note may be made only from the residual receipts fund,
as that term is defined in the Regulatory Agreement between the maker and the Secretary executed in
connection with the above project, and only after obtaining the prior written approval of the Secretary
acting by and through the Federal Housing Commissioner. Such prepayments may be made only after
final endorsement of the note for insurance by the Secretary and after the end of a semiannual or an
annual fiscal period.

(3) This note is non-negotiable and may not be sold, transferred, assigned, or pledged by the payee except
with the prior written approval of the Commissioner.

(4) This note is made and delivered in payment of __________________________________________

Presentation, demand and notice of demand, non-payment and protest of this note are waived.

Executed this day of 19

Attest:

_________________________________________
Maker-Corporate Name

By: ____________________________
Title

The payee hereby certifies that this is a bona fide transaction and that it fully understands all the requirements
of this note, and that no prepayment of principal or interest shall be accepted without evidence that the Federal
Housing Commissioner has authorized such prepayment. If an unauthorized prepayment is accepted, the funds
shall be held by the payee in trust for the project.

By: ____________________________
Payee

* Not to exceed the highest permissible rate on the insured mortgage.