

| LOAN NUMBER | LOAN NAME | NOTE DATE | | |
|--------------|---|-------------------|------|-------------------|
| | BORROWER'S NAME OR COMPANY NAME GOES HERE | June 15, 2017 | | |
| NOTE AMOUNT | INDEX (w/Margin) | LOAN PURPOSE | RATE | MATURITY DATE |
| \$300,000.00 | Not Applicable | Commercial | 12% | December 15, 2017 |
| | | Creditor Use Only | | |

PROMISSORY NOTE

(Commercial - Draw - Fixed Rate)

DATE AND PARTIES. The date of this Promissory Note (Note) is June 15, 2017. The parties and their addresses are:

LENDER:

NORTH OAK INVESTMENT, LLC
8080 Ward Parkway
Kansas City, Missouri 64114
Telephone: (816) 249-1001

BORROWER:

BORROWER'S NAME OR COMPANY NAME GOES HERE
BORROWER'S STREET ADDRESS GOES HERE
BORROWER'S CITY, STATE & ZIP GO HERE

1. **DEFINITIONS.** As used in this Note, the terms have the following meanings:
 - A. **Pronouns.** The pronouns "I," "me," and "my" refer to each Borrower signing this Note, individually and together with their heirs, successors and assigns, and each other person or legal entity (including grantors, endorsers, and sureties) who agrees to pay this Note. "You" and "Your" refer to the Lender, with its participants or syndicators, successors and assigns, or any person or company that acquires an interest in the Loan.
 - B. **Note.** Note refers to this document, and any extensions, renewals, modifications and substitutions of this Note.
 - C. **Loan.** Loan refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction such as applications, security agreements, disclosures or notes, and this Note.
 - D. **Loan Documents.** Loan Documents refer to all the documents executed as a part of or in connection with the Loan.
 - E. **Property.** Property is any property, real, personal or intangible, that secures my performance of the obligations of this Loan.
 - F. **Percent.** Rates and rate change limitations are expressed as annualized percentages.

2. **PROMISE TO PAY.** For value received, I promise to pay you or your order, at your address, or at such other location as you may designate, amounts advanced from time to time under the terms of this Note up to the maximum outstanding principal balance of \$300,000.00 (Principal), plus interest from the date of disbursement, on the unpaid outstanding Principal balance until this Note is paid in full and Lender has no further obligations to make advances to you under this Loan.
All advances made will be made subject to all other terms and conditions of this Loan.

3. **INTEREST.** Interest will accrue on the unpaid Principal balance of this Note at the rate of (12%) percent (Interest Rate).
 - A. **Interest After Default.** If you declare a default under the terms of this Loan, including for failure to pay in full at maturity, you may increase the interest Rate payable on the outstanding Principal balance of this Note. In such event, interest will accrue on the outstanding Principal balance at the Interest Rate in effect from time to time under the terms of this Loan, until paid in full.
 - B. **Maximum Interest Amount.** Any amount assessed or collected as interest under the terms of this Note or obligation will be limited to the Maximum Lawful Amount of interest allowed by state or federal law. Amounts collected in excess of the Maximum Lawful Amount will be applied first to the unpaid Principal balance. Any remainder will be refunded to me.
 - C. **Statutory Authority.** The amount assessed or collected on this Note is authorized by the Missouri usury laws under Mo. Rev. Stat. § § 408.020-.096.
 - D. **Accrual.** During the scheduled term of this Loan interest accrues using an Actual/360 days counting method.

4. **ADDITIONAL CHARGES.** As additional consideration, I agree to pay, or have paid, these additional fees and charges.
 - A. **Nonrefundable Fees and Charges.** The following fees are earned when collected and will not be refunded if I prepay this Note before the scheduled maturity date, and if not otherwise paid will be paid from loan proceeds:

| | |
|-----------------------|--------------------|
| Notary | \$ 2.00 |
| Appraisal | 400.00 |
| Wire | 25.00 |
| Construction Loan Fee | <u>3,000.00</u> |
| TOTAL | \$ 3,427.00 |

5. **REMEDIAL CHARGES.** In addition to interest or other finance charges, I agree that I will pay these additional fees based on my method and pattern of payment. Additional remedial charges may be described elsewhere in this Note.

6. **GOVERNING AGREEMENT.** This Note is further governed by the Commercial Loan Agreement executed between you and me as part of this Loan, as modified, amended or supplemented. The Commercial Loan Agreement states the terms and conditions of this Note, including the terms and conditions under

which the maturity of this Note may be accelerated. When I sign this Note, I represent to you that I have reviewed and am in compliance with the terms contained in the Commercial Loan Agreement.

7. PAYMENT. I agree to fully pay this Note on demand, but if no demand is made, I agree to pay the entire unpaid principal and any accrued interest on December 15, 2017.

Payment will be rounded to the nearest \$.01. With the final payment I also agree to pay any additional fees or charges owing and the amount of any advances you have made to others on my behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month.

Each payment I make on this Note will be applied first to interest that is due then to principal that is due, and finally to any charges that I owe other than principal and interest. If you and I agree to a different application of payments, we will describe our agreement on this Note. The actual amount of my final payment will depend on my payment record.

8. PREPAYMENT. I may prepay this Loan in full or in part at any time. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

9. LOAN PURPOSE. The purpose of this Loan is Construction and/or Rehab Loan.

10. ADDITIONAL TERMS. BORROWER AGREES TO PROVIDE ANNUAL BUSINESS/PERSONAL FINANCIAL STATEMENTS AND TAX RETURNS WITHIN 90 DAYS OF EACH FISCAL YEAR END AS REQUIRED.

11. SECURITY. This Loan is secured by separate security instruments prepared together with this Note as follows:

| Document Name | Parties to Document |
|---|--|
| Deed of Trust – PROPERTY ADDRESS GOES HERE | BORROWER'S NAME OR COMPANY NAME GOES HERE |

12. DUE ON SALE OR ENCUMBRANCE. You may, at your option, declare the entire balance of this Note to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.

13. WAIVERS AND CONSENT. To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

A. Additional Waivers By Borrower. In addition, I, and any party to this Note and Loan, to the extent permitted by law, consent to certain actions you may take, and generally waive defenses that may be available based on these actions or based on the status of a party to this Note.

- (1) You may renew or extend payments on this Note, regardless of the number of such renewals or extensions.
- (2) You may release any Borrower, endorser, guarantor, surety, accommodation maker or any other co-signer.
- (3) You may release, substitute or impair any Property securing this Note.
- (4) You, or any institution participating in this Note, may invoke your right of set-off.
- (5) You may enter into any sales, repurchases or participations of this Note to any person in any amounts and I waive notice of such sales,

repurchases or participations.

- (6) I agree that any of us signing this Note as a Borrower is authorized to modify the terms of this Note or any instrument securing, guarantying or relating to this Note.

B. No Waiver By Lender. Your course of dealing, or your forbearance from, or delay in, the exercise of any of your rights, remedies, privileges or right to insist upon my strict performance of any provisions contained in this Note, or other Loan documents, shall not be construed as a waiver by you, unless any such waiver is in writing and is signed by you.

14. COMMISSIONS. I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

15. COLLATERAL PROTECTION INSURANCE NOTICE. Unless I provide you with evidence of the insurance coverage required by my agreement with you, you may purchase insurance at my expense to protect your interests in my collateral. This insurance may, but need not, protect my interests. The coverage that you purchase may not pay any claim that I make or any claim that is made against me in connection with the collateral. I may later cancel any insurance purchased by you, but only after providing you with evidence that I have obtained insurance as required by our agreement. If you purchase insurance for the collateral, I will be responsible for the costs of that insurance, including the insurance premiums, interest and any other charges you may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to my total outstanding balance or obligation. The costs of the insurance may be more than the cost of the insurance I may be able to obtain on my own.

16. APPLICABLE LAW. This Note is governed by the laws of Missouri, the United State of America and to the extent required, by the laws of the jurisdiction where the Property is located.

17. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS. My obligation to pay this Loan is independent of the obligation of any other person who has also agreed to pay it. You may sue me alone, or anyone else who is obligated on this loan, or any number of us together, to collect this Loan. Extending this Loan or new obligations under this Loan, will not affect my duty under this Loan and I will still be obligated to pay this Loan. This Note shall inure to the benefit of and be enforceable by you and your successors and assigns and shall be binding upon and enforceable against me and my personal representatives, successors, heirs and assigns.

18. AMENDMENT, INTEGRATION AND SEVERABILITY. This Note may not be amended or modified by oral agreement. No amendment or modification of this Note is effective unless made in writing and executed by you and me. This Note and the other Loan Documents are the complete and final expression of

MISSOURI NOTE

BORROWER'S NAME GOES HERE
and
MANAGING MEMBER AS INDIVIDUAL
and
ANY OTHER CO-SIGNER'S NAME

TO

North Oak Investment, LLC

PAY TO THE ORDER OF
WITHOUT RECOURSE

NORTH OAK INVESTMENT, LLC

By: _____
Bernard P. Richter, Manager

NORTH OAK INVESTMENT, LLC
8080 Ward Parkway
K.C. MO 64114