

SECURED NON-RECOURSE PROMISSORY NOTE

\$ _____ .00

FOR VALUE RECEIVED, the **Property Renovation Group, LLC, an Ohio limited liability company** (hereinafter referred to as the "Maker") promises to pay to _____ (hereinafter referred to as the "Holder"), or order the principal sum of _____ (\$ _____ .00) Dollars in legal tender of the United States, with either (1) simple interest accruing at a rate of 12% per annum from the date of this Promissory Note (hereinafter referred to as the "Note Date"), or (2) a 15% share of the net profit ("Net Profit"), as defined herein, from any sale of the property located at _____ (the "Property"), whichever is greater. The principal sum and any accrued interest, as defined herein, shall be paid to the Holder either (1) at the time of closing when the Property is sold and transferred to a 3rd party or (2) _____, whichever comes sooner ("Due Date").

The Maker shall not be obligated to make any payments during the term of this loan until the Due Date, as defined above. All interest accrued through the Due Date shall be deferred, and shall be due and payable upon the Due Date as a balloon payments consisting of existing principal and all accrued interest thereon.

Non-Recourse Obligations. Notwithstanding anything to the contrary stated herein, the Holder agrees that for payment of this Secured Non-Recourse Promissory Note ("Note"), Holder will look solely to the Pledged Collateral, specifically the Property, as identified above, to which Maker has granted a mortgage to Holder as collateral and security for the payment of this Note, and no other assets of Maker, or it's principals, shall be subject to levy, execution or other enforcement procedure, whether it be at law or equity, for the satisfaction of the remedies of Holder, or for any payment required to be made under this Note.

If any payment is not made by the Due Date, or if said payment made does not satisfy the interest accrued through the Due Date, then remaining interest accrued shall be added to principal and shall bear interest at the note rate of 12%. Principal and interest shall be payable at the office of Holder or at any such other place as the Holder hereof may designate in writing, in one final installment consisting of all remaining principal and interest accrued thereon plus any other outstanding amounts due and payable no later than the Due Date in certified or cash funds.

In consideration for making this loan, the Holder shall receive a 15% share of the net profits from any sale of the Property, or the interest earned at the rate of 12% simple interest, whichever is greater, at the time of closing when the property is sold and transferred either to a 3rd party or the Due Date, whichever comes sooner.

For the purposes of calculating the Net Profit for purposes of the Interest, as defined above, the Net Profit shall be the difference from the sale price of the Property, less any expenses related to the Property from the date of this Note and the closing date of the sale of the Property. These expenses shall include, but not be limited to, purchase costs of property, closing costs, the payoff of the mortgage lien secured by this Note, any subordinate mortgages or liens, tax pro-rations, attorney fees, realtor commissions, seller concessions, repair costs, hazard insurance, marketing fees and utilities.

If fulfillment of any provision hereof or any transaction related hereto or to any indebtedness secured hereby, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provisions herein contained operate or would prospectively operate to invalidate this Note in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Note shall remain operative and in full force and effect.

Principal not paid when due shall bear interest at the rate of 12% per annum from maturity. Should this note, or any part of the indebtedness evidenced hereby, be collected by law or through an attorney-at-law, the Holder shall be entitled to collect reasonable Attorney's fees incurred as a result of said collection efforts.

Maker shall have the right to prepay the principal balance in whole or part at any time. Any partial prepayment shall be applied first against accrued interest, if any, then to the principal balance.

And each of the undersigned, whether principal, surety, guarantor, endorser, or other party, severally waives and renounces each for himself and family, any and all homestead and exemption rights either of us, or the family of either of us, may have under or by virtue of the laws of the State of Ohio, or any other State, or the United States, as against this debt or any renewal or extension thereof, and further waives demand, protest, presentment, notice of demand, protest and non-payment.

This Promissory Note shall be secured by a mortgage lien/ against the Property, as defined above, executed by Maker for the benefit of Holder. As stated above, the Holder will look solely to the Property to which Maker has granted a mortgage to Holder as collateral and security for the payment of this Note, and no other assets of Maker, or it's principals, shall be subject to levy, execution or other enforcement procedure, whether it be at law or equity, for the satisfaction of the remedies of Holder, or for any payment required to be made under this Note.

IN WITNESS WHEREOF, the undersigned Maker has executed this Note this ____ Day of _____, 20____.

Maker:

Property Renovation Group, LLC

By:
Its:

STATE OF OHIO)
) SS
COUNTY OF _____)

BE IT REMEMBERED, that on this _____ day of November, 2014, the subscriber, a Notary Public in and for said state, personally came _____, **Managing Member of Property**

Renovation Group, LLC, the Maker, and acknowledged the signing thereof to be his/her voluntary act and deed.

WITNESS THEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year last aforesaid.

Notary Public

My Commission Expires: _____

This Instrument Prepared by:
David A. Streeter, Jr., Esq.
2 Berea Commons
Berea, OH 44017