MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

KNOW ALL BY THESE PRESENTS, that **MASTWAY DEVELOPMENT LLC**, a Maine limited liability company (the "Borrower") for consideration paid, does hereby GIVE, GRANT, BARGAIN, SELL, ASSIGN and CONVEY unto the **CITY OF HALLOWELL**, a public body corporate and politic (the "Lender"), its successors and assigns, with MORTGAGE COVENANTS and upon the STATUTORY CONDITION, to secure the payment and performance of the Obligations (defined below), the following described property, rights and interests (collectively, the "Real Property Collateral"):

(a) the real estate described on Exhibit A attached hereto and incorporated herein by reference, together with all buildings and other improvements thereon, and all rights and interests appurtenant thereto (collectively, the "Realty"), and

(b) all rents, issues, profits, revenues, royalties, bonuses, rights and benefits under any and all leases or tenancies now existing or hereafter created of the Realty, or any part thereof, with the right to receive and apply the same to the Obligations, and Lender may demand, sue for and recover such payments but shall not be required to do so; provided, however, that so long as no Default has occurred hereunder and remained uncured beyond the applicable cure period, all rights to receive and retain such rents, issues and profits is reserved to Borrower, and

(c) all judgments, awards of damages and settlements hereafter made as a result of any award which may become due to Borrower by reason of the taking by eminent domain of the whole or any part of the Realty or any rights appurtenant thereto, including any award for change of grade of streets.

As additional security for payment and performance of the Obligations, Borrower hereby assigns, transfers and grants to Lender a security interest in the following described personal property (collectively, the "Personal Property Collateral"):

All personal property of Borrower situated on or affixed to the Realty, including without limitation all building materials, supplies and lumber to be incorporated in the Realty; all furnishings, fixtures, machinery, equipment, appliances and goods of every nature whatsoever located in, or on, or used, or intended to be used in connection with the Realty, including without limitation plumbing, heating, lighting, refrigerating, ventilating, telephone, telecommunications, computer and air conditioning apparatus and equipment, garbage incinerators and receptacles, elevators and elevator machinery, boilers, tanks,

motors, sprinkler and fire extinguishing systems, door bell and alarm systems, screens, awnings, screen doors, storm and other detachable windows and doors, mantels, built-in cases, counters, trees, hardy shrubs and perennial flowers; all replacements of and additions to said property and all similar property now owned or hereafter acquired by Borrower, together with cash and non-cash proceeds of all of the foregoing, whether or not said property is subject to prior conditional sales agreements, security interests or other liens, but excepting inventory and other personal property used, consumed or sold in the ordinary course of Borrower's business; provided, however, that so long as no Default has occurred hereunder and remained uncured beyond the applicable cure period, all rights to the Personal Property Collateral is reserved to Borrower. If the lien of this Mortgage on any of said property is subject to a conditional sales agreement or security agreement covering such property, then in the event of any Default hereunder all the rights, title and interest of Borrower in and to any and all deposits made thereon or therefor are hereby assigned to Lender, together with the benefit of any payments now or hereafter made thereon. There are also transferred, set over and assigned to Lender, its successors and assigns, all conditional sales agreements, leases and use agreements of machinery, equipment and other personal property of Borrower in the categories hereinabove set forth under which Borrower is the lessee of, or entitled to use, such items, and Borrower agrees to execute and deliver to Lender specific separate assignments thereof to Lender when requested by Lender and nothing herein shall obligate Lender to perform any obligations of Borrower under such leases or agreements, unless it so chooses, which obligations Borrower hereby covenants and agrees to well and punctually perform.

The Real Property Collateral and the Personal Property Collateral are hereinafter sometimes referred to collectively as the "Premises."

THIS MORTGAGE SHALL ALSO SERVE AS A FINANCING STATEMENT UNDER THE MAINE UNIFORM COMMERCIAL CODE COVERING THE ITEMS AND TYPES OF COLLATERAL DESCRIBED HEREIN. THE NAMES OF THE DEBTOR (BORROWER) AND THE SECURED PARTY (LENDER), THE MAILING ADDRESS OF THE SECURED PARTY FROM WHICH INFORMATION CONCERNING THE SECURITY INTEREST MAY BE OBTAINED, THE MAILING ADDRESS OF THE DEBTOR AND A STATEMENT INDICATING THE TYPES, OR DESCRIBING THE ITEMS, OF COLLATERAL ARE AS DESCRIBED HEREIN, IN COMPLIANCE WITH THE REQUIREMENTS OF ARTICLE 9, SECTION 1502 OF THE UNIFORM COMMERCIAL CODE, AS ENACTED IN THE STATE OF MAINE. BORROWER, ON DEMAND, WILL EXECUTE AND DELIVER AND HEREBY AUTHORIZES LENDER TO EXECUTE IN THE NAME OF BORROWER OR WITHOUT THE SIGNATURE OF BORROWER TO THE EXTENT LENDER MAY LAWFULLY DO SO, ONE OR MORE FINANCING STATEMENTS, CHATTEL MORTGAGES OR OTHER INSTRUMENTS, TO EVIDENCE OR PERFECT MORE EFFECTIVELY THE SECURITY INTEREST OF LENDER IN THE PREMISES AND IN ALL NON-REAL ESTATE COLLATERAL DESCRIBED HEREIN. A PHOTOCOPY OF THIS MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT MAY BE FILED AS A FINANCING STATEMENT.

TO HAVE AND TO HOLD the aforegranted and bargained Premises, with all the privileges and rights appurtenant thereto, to Lender, its successors and assigns, to its and their use and behoof forever; PROVIDED, NEVERTHELESS, that if Borrower pays to Lender the sum of TWO HUNDRED THIRTY EIGHT THOUSAND AND 00/100 DOLLARS ($238,000.00) or so much thereof as may be advanced, with interest and premium thereon and other charges, if applicable, in accordance with the terms and conditions of the Note (defined below), and shall further repay and perform all other Obligations of Borrower to Lender, then this Mortgage, and also the Note, shall be void, but otherwise shall remain in full force.

Borrower covenants and agrees with Lender as follows:

1. Definitions. As used in this Mortgage, the following capitalized words shall have the following meanings:

(a) "Contingent Obligations" means all obligations of Borrower to Lender that become fixed or certain at some time after the recording of this Mortgage.

(b) "Default" means the occurrence of any or all of the following events: (i) Borrower shall fail to pay any amount when due under the Note and such failure shall continue for ten (10) calendar days; or (ii) there shall occur a failure by Borrower to comply with the terms, covenants or conditions contained in this Mortgage, other than (A) a default enumerated in the other clauses of this definition (to which the pertinent grace or cure periods set forth in this definition shall apply), or (B) a default under any of paragraphs 2 (Title), 3 (Payment and Performance), 16 (Grandfathered Uses), or 18 (Sale or Encumbrance of the Premises) of this Mortgage (as to which there shall be no grace or cure period), and such failure shall continue for thirty (30) calendar days after written notice thereof to Borrower; or (iii) there shall occur a default in the terms, covenants or conditions contained in any of the other Loan Documents, and such default shall continue after the cure period, if any, specifically set forth therein for the purpose of curing such default, or if no cure period is specified then thirty (30) calendar days after notice from Lender; or (iv) the dissolution, liquidation or termination of existence of Borrower or any other party liable for the Obligations; or (v) the loss, theft, substantial damage, to or of the Premises, or the sale (without Lender's express written consent), of the Premises (or any portion thereof), or the making of any levy, seizure or attachment of or on the Premises, or the failure to pay when due any tax thereon or, with respect to any insurance policy, any premium therefor; or (vi) any warranty, representation or statement made or furnished to Lender by or on behalf of Borrower or any other party liable for the Obligations proving to have been false or erroneous when made or furnished; or (vii) the entry of any judgment(s) or order(s) against Borrower for the payment of money in an aggregate amount exceeding $25,000.00, which judgment(s) or order(s) is not satisfied or appealed from (with execution or similar process stayed), within thirty (30) days of entry; or (viii) if Borrower or any other party liable for the Obligations shall: (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or

liquidator of itself or of all or a substantial part of its property, (B) admit in writing its inability, or be generally unable, to pay its debts as they become due, (C) make a general assignment for the benefit of creditors, (D) commence a voluntary case under the federal bankruptcy laws (as now or hereafter in effect), (E) file a petition seeking to take advantage of any other law providing for the relief of debtors, (F) acquiesce in, or fail to controvert in a timely manner, any petition filed against it in any involuntary case under such bankruptcy laws, or (G) take any corporate, partnership or other entity action for the purpose of effecting any of the foregoing; or (ix) a case or other proceeding shall be commenced without the application or consent of Borrower or any other party liable for the Obligations, in any court of competent jurisdiction, seeking (A) its liquidation, the readjustment of its debts, or its reorganization, (B) the appointment of a trustee, receiver, custodian, liquidator or the like of the party in question, or of all or any substantial part of the assets of such party, (C) any similar action shall be taken with respect to Borrower or any other party liable for the Obligations under the federal bankruptcy laws (as now or hereafter in effect) or any other laws relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debt, and such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of sixty (60) days, or (D) an order for relief against Borrower or any other party liable for the Obligations shall be entered in an involuntary case under such bankruptcy laws; or (xi) the acceleration of any indebtedness of Borrower or any other party liable for the Obligations from any lender other than Lender; or (xii) any filing against or relating to Borrower or any other party liable for the Obligations of a federal tax lien in favor of the United States of America or any political subdivision of the United States of America, or a state tax lien in favor of any state of the United States of America or any political subdivision of any such state; or (xiii) the merger or consolidation of Borrower with or into any other corporation or other entity; or (xiv) the receipt by Lender of any notice described in subsections 5 (A) or (B) of 33 M.R.S.A. §505 (or any similar successor provision) (without Lender's express written consent).

(c) "Loan Agreement" means that certain Block Grant Loan Agreement between Lender and Borrower dated September 30, 2016.

(d) "Loan Documents" means all documents, instruments and agreements executed by and between the parties which evidence and/or secure the Obligations, as the same may be amended, extended, renewed, restated, supplemented, replaced, or otherwise modified from time to time, including, without limitation, the Note, this Mortgage, and the Loan Agreement.

(e) "Mortgage" means this Mortgage, Security Agreement and Financing Statement as the same may be amended, extended, renewed, restated, supplemented, replaced, or otherwise modified from time to time.

(f) "Note" means that certain Promissory Note of substantially even date herewith executed by Borrower and delivered to Lender in the original principal amount of up to Two Hundred Thirty Eight Thousand and 00/100 Dollars ($238,000.00), as the same may be

amended, extended, renewed, restated, supplemented, replaced, or otherwise modified from time to time.

(g) "Obligations" means (i) the indebtedness evidenced by the Note, (ii) all Protective Advances, (iii) all Contingent Obligations, (iv) any and all other liabilities, advances, loans, sums due or to become due under any indebtedness of Borrower to Lender of every kind, nature and description (whether or not evidenced by any note or other instrument, and whether or not for the payment of money), direct or indirect, absolute or contingent, primary or secondary, joint or several, secured or unsecured, due or to become due, now existing or hereafter arising, regardless of how they arise or were acquired, (v) obligations to pay money, and all interest, fees, charges and reasonable expenses (including reasonable attorneys' and paralegals' fees) paid or incurred by Lender at any time in connection with the commitment for, preparation, execution, delivery, amendment, review, perfection, administration and/or enforcement of any of the Loan Documents, and (vi) to the extent not included in the foregoing, all obligations of Borrower to Lender pursuant to the Loan Documents, including all obligations to perform acts or refrain from taking action thereunder.

(h) "Premises" has the meaning set forth hereinabove, and any reference to the Premises herein shall be construed as a reference both to the entire Premises and to any portion or component thereof.

(i) "Protective Advances" means (i) any advances made by Lender that are reasonably deemed to be necessary by Lender to protect its interest in the Premises, (ii) costs and expenses incurred by Lender or its agents to collect amounts due to Lender, and/or (iii) interest earned on any Obligation secured by this Mortgage.

2. Title. Borrower is lawfully seized of an indefeasible estate in fee simple of the Premises, free from any claims, encumbrances or restrictions, except as set forth on Exhibit A hereto and on Schedule B attached to that certain Title Insurance Policy No. OX10061711 issued by Old Republic National Title Insurance Company to Borrower dated April 21, 2016.

3. Payment and Performance. Borrower shall promptly pay and perform the Obligations secured hereby when due at the times and in the manner specified.

4. Taxes and Assessments. Borrower shall pay or cause to be paid when due, all taxes and assessments of every type or nature levied or assessed against the Premises and any claim, lien or encumbrance against the Premises which may be or become prior to the lien of this Mortgage.

5. Insurance.

(a) Borrower, at its expense, shall procure and maintain or cause to be procured and maintained for the benefit of Borrower and Lender, insurance policies issued by such insurance companies, in such amounts, in such form and substance, and with such

coverages, endorsements, deductibles, and expiration dates as are acceptable to Lender, providing the following types of insurance covering the Premises:

(i) "Special form covered perils" property insurance for 1 Beech Street, Hallowell, Maine;

(ii) Commercial general liability insurance against claims for personal injury (to include, without limitation, bodily injury and personal and advertising injury) and property damage liability, all on an occurrence basis, if available, with such coverages as Lender may request (including, without limitation, contractual liability coverage, completed operations coverage for a period of two (2) years following completion of construction of any improvements on the Realty, and coverages equivalent to an ISO broad form endorsement), with a general aggregate limit of not less than $2,000,000;

(iii) Worker's compensation insurance for the employees of Borrower engaged on or with respect to the Realty or improvements thereon, if any; and

Borrower shall pay all premiums on said insurance policies. The insurance policy provided for in clause (ii) above shall name Lender as an "additional insured." The insurance policy provided for in clause (i) above shall name Lender as "mortgagee," and shall be first payable in case of loss to Lender, and shall contain mortgage clauses in form and substance acceptable to Lender. On all other forms of property insurance, including but not limited to "all risk" insurance, builders risk insurance and flood insurance, that Borrower shall obtain on the Realty during the term of the Loan Agreement, Borrower shall name the Lender as an additional insured, loss payee and/or mortgagee as applicable depending on the type of policy. Borrower shall deliver proof of such insurance referenced in clauses (i) and (ii) above to Lender on or before September 30, 2016, and proof of such insurance referenced otherwise herein shall be provided upon the Borrower obtaining such policies. Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At request of Lender, at least thirty (30) days prior to the expiration date of the policies, Borrower shall deliver to Lender proof of renewal.

(b) All policies of insurance required by this Security Deed shall contain clauses or endorsements to the effect that (i) no act or omission of either Borrower or anyone acting for Borrower (including, without limitation, any representations made by Borrower in the procurement of such insurance), which might otherwise result in a forfeiture of such insurance or any part thereof, no occupancy or use of the Premises for purposes more hazardous than permitted by the terms of the policy, and no foreclosure or any other change in title to the Premises or any part thereof, shall affect the validity or enforceability or such insurance insofar as Lender is concerned, (ii) the insurer waives any right of setoff, counterclaim, subrogation, or any deduction in respect of any liability of Borrower and Lender, (iii) such insurance is primary and without right of contribution from any other insurance which may be available, (iv) such policies shall not be modified, canceled or terminated without the insurer thereunder giving at least thirty (30) days prior written notice to Lender by certified or registered mail, and (v) that Lender shall not be liable for any premiums thereon or subject to any assessments thereunder,

and shall in all events be in amounts sufficient to avoid any coinsurance liability.

(c) All policies of insurance required by this Mortgage Security Agreement and Financing Statement shall be issued by companies licensed to do business in the state of Maine and shall be acceptable to Lender.

(d) Borrower shall not carry separate insurance, concurrent in kind or form or contributing in the event of loss, with any insurance required under this Security Deed unless such insurance complies with the terms and provisions of this Section 4.

(e) In the event of any loss or damage to the Premises, Borrower shall give prompt written notice to the insurance carrier and Lender. The proceeds of such insurance for such damage are collaterally assigned and shall be paid to Lender. Any and all amounts received by Lender under any of such policies may be applied by Lender to the Obligations in such manner as Lender may, in its sole discretion, elect, or, at the option of Lender, the entire amount so received or any part thereof may be released. Upon foreclosure of this Mortgage or other acquisition of the Premises, such policies shall become the absolute property of Lender, but receipt of any insurance proceeds and any disposition of the same by Lender shall not constitute a waiver of any rights of Lender, statutory or otherwise, and specifically shall not constitute a waiver of the right of foreclosure by Lender in the event of Default or failure of performance by Borrower of any covenant or agreement contained herein or in any of the other Loan Documents.

6. Condition and Use of Realty. Borrower: (a) shall not permit or commit waste, impairment, or deterioration of the Premises or abandon the Premises; (b) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Premises in the event of any material damage, injury or loss thereto, to the equivalent of its condition prior to such damage, injury or loss, or such other condition as Lender may approve in writing, provided that Lender shall release net insurance proceeds, to the extent actually received by Lender, to Borrower in accordance with Lender's then prevailing commercial construction loan procedures (provided, however, the insufficiency of such proceeds shall not relieve Borrower of its obligations to restore hereunder); (c) shall keep the Premises, including and improvements now or in the future located thereon, in good order, repair and condition and shall replace fixtures, equipment, machinery and appliances at the Premises when necessary to keep such items in good order, repair, and condition; and (d) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Premises. Borrower covenants and agrees to give Lender prompt notice of any non-compliance with such laws, ordinances, regulations or requirements and of any notice of non-compliance therewith which it receives.

7. Eminent Domain. Borrower will give Lender immediate notice of the actual or threatened commencement of any proceedings under eminent domain affecting all or any part of the Premises, including without limitation severance and consequential damage and, change in grade of streets, and will deliver to Lender copies of all papers served in connection therewith. Borrower hereby appoints Lender as Borrower's attorney-in-fact, coupled with an interest, and authorizes, directs and empowers Lender at its option and on behalf of Borrower to adjust, compromise or settle the claim for any such award or payment, to collect, receive and retain the proceeds thereof,

and to give proper receipts therefor. Lender shall have the right to intervene and participate in any eminent domain proceedings unless prohibited by a court having jurisdiction, in which event Borrower shall consult with Lender in all matters pertaining to the adjustment, compromise or settlement of such proceedings and shall not enter into any agreement with respect to such matters without the prior written consent of Lender. Borrower further agrees to execute and deliver, upon request, any other instruments deemed necessary by Lender so as to confirm the assignment and security interest herein granted and conveyed to Lender with respect to all awards and other compensation to be made for any taking of the Premises under eminent domain proceedings. There shall be no abatement or reduction in the amount payable by Borrower hereunder, under the Note or under the other Loan Documents in the event of the commencement of any eminent domain proceeding affecting the Premises, and Borrower shall continue to be obligated to pay all such amounts notwithstanding such commencement. After deducting its collection costs, disbursements, expenses and reasonable counsel fees, Lender, at its option, (i) may apply all or any portion of such awards as additional payment in reduction of the Obligations in such manner as Lender elects, or (ii) may pay to Borrower the entire amount or any part thereof so received. In the event that Lender shall so elect to make said award available to Borrower for the purpose of repair or restoration of the Realty, Borrower shall cause repair or restoration to be commenced within ninety (90) days after notice by Lender that funds are available for such purposes. If the award is insufficient to complete the repair or restoration of the Realty, Borrower shall provide any additional funds. Any excess over the cost of repair or restoration of the Realty shall be applied to the Obligations or paid to Borrower at the option of Lender. Funds shall be disbursed by Lender as work progresses according to such construction loan procedures as Lender may reasonably impose.

8. Protective Advances. If Borrower fails to defend against or pay any claim, lien or encumbrance which is alleged to be prior to the lien of this Mortgage, or, when due, any tax or assessment or insurance premium, or to keep the Premises in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the Premises or title thereto, or if Borrower shall fail to maintain and keep in good repair the Premises or satisfy the other terms and conditions of this Mortgage, then Lender, at its option, may pay said claim, lien, encumbrance, tax, assessment or premium, or expend such funds as necessary to repair the Premises or prevent or cure any such waste or any other Default of Borrower, with right of subrogation thereunder, may procure such abstracts or other evidence of title as it deems advisable to assess and/or challenge any action or proceeding affecting title to the Premises, and may appear in any action or proceeding affecting the Premises as Lender deems advisable, and for any of said purposes Lender may advance such sums of money as it deems necessary. Lender shall have no responsibility with respect to the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium, and of the amount necessary to be paid in satisfaction thereof. Borrower will pay to Lender, immediately and without demand, all sums of money advanced by Lender pursuant to this paragraph, together with interest on each such advance at the rate set forth in the Note, and all such sums and interest thereon shall be deemed Protective Advances, and shall be secured hereby.

9. Default. In the event that any Default shall occur, then, in each and every such case,

(a) Lender is authorized to foreclose this Mortgage by any legal or equitable method of foreclosure existing at the time of the execution of this Mortgage or thereafter, including the Statutory Power of Sale, as provided in 33 M.R.S.A. §501-A; and

(b) Lender is authorized at any time, without notice, in its sole discretion to revoke Borrower's license to receive or retain the rents, issues, profits, revenues, royalties, bonuses, rights and benefits derived from the Premises, whereupon Lender may, with or without taking possession of the Premises, collect and receive all such rents, issues, profits revenues, royalties, bonuses, rights and benefits, including those past due as well as those accruing thereafter; and

(c) Lender is authorized at any time, without notice, in its sole discretion to enter upon and take possession of the Premises or any part thereof, and to perform any acts Lender deems necessary or proper to preserve its security, and to collect and receive all rents, issues, profits, revenues, royalties, bonuses, rights and benefits thereof, including those past due as well as those accruing thereafter; and

(d) Lender is entitled to have a receiver appointed by any court of competent jurisdiction to enter, take possession of and manage, use and operate the Premises, collect the rents, issues, profits, revenues, royalties, bonuses, rights and benefits therefrom and apply the same as the court may direct; and

(e) Lender shall have such further rights and remedies as may be given to Lender in the other Loan Documents or as may be afforded by law or in equity.

In any such case Lender or the receiver may also take possession of, and for these purposes use, any and all personal property, including any Personal Property Collateral, located in or at the Realty and used by Borrower in the rental or leasing thereof or any part thereof. The expense (including receiver's fees, legal fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be secured hereby. Lender shall (after payment of all costs and expenses incurred) apply such rents, issues and profits received by it to the Obligations in such order as Lender determines. The right to enter and take possession of the Premises, to manage and operate the same, and to collect the rents, issues and profits thereof, whether by a receiver or otherwise, shall be cumulative to any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. Lender shall be liable to account only for rents, issues and profits actually received by Lender. In the event of foreclosure pursuant to the Statutory Power of Sale, any public sale may be conducted on or near the Realty or at any office of Lender in Kennebec County.

10. Waiver and Modification of Mortgage. Lender may exercise its rights against the Premises without resort or regard to any other collateral or sources of reimbursement for liability. Lender shall not be deemed to have waived any of its rights under this Mortgage or under any of the other Loan Documents, or otherwise, unless such waiver be in writing and signed by Lender. Lender's failure to require strict and complete performance of the terms, covenants and agreements contained in this Mortgage or under any of the other Loan Documents, or any delay or omission on

the part of Lender in exercising any right, or any acceptance of partial or inadequate payment or performance, shall not waive, affect or diminish such right or Borrower's duty of compliance and performance with the terms, covenants and agreements of this Mortgage and of all of the other Loan Documents. A waiver on any one occasion shall not be construed as a bar to or waiver of the same or any other right on the same or any future occasion.

11. Remedies Not Exclusive. No remedy herein conferred upon or reserved to Lender is intended to be exclusive of any other remedy or remedies available to Lender under this Mortgage, the other Loan Documents, at law, in equity or by statute, and each and every such remedy shall be cumulative and in addition to every other remedy given hereunder under the other Loan Documents, or now or hereafter existing at law, in equity or by statute.

12. Modification of Security. Without affecting the liability of Borrower or any other party (except any party expressly released in writing) for payment or performance of the Obligations, and without affecting the rights of Lender with respect to any security not expressly released in writing, Borrower agrees that Lender may, at any time and from time to time, either before or after the maturity of the Obligations, and without notice or consent: (a) exercise or refrain from exercising or waive any right Lender may have; (b) accept additional security of any kind; (c) release or otherwise deal with any property, real or personal, securing the Obligations, including all or any part of the Premises; (d) release any party liable for payment or performance of all or any part of the Obligations; and (e) make any agreement extending the time or otherwise altering the terms of payment of all or any part of the Obligations, or modifying or waiving any Obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof.

13. Priority of Future Agreements. Unless expressly stated therein to the contrary, any agreement hereafter made by Borrower and Lender pursuant to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

14. Right of Lender to Deal With Successors in Title. In the event that Borrower's estate becomes vested in a person or entity other than Borrower, with the prior written consent of Lender, Lender may, without notice to Borrower, deal with such person to extend or modify this Mortgage or to extend or modify the Obligations, or release part of the Premises, without releasing, or diminishing the liability or Obligation of Borrower.

15. Security Interest; Notice; Remedies. This Mortgage shall constitute a security agreement with respect to any and all of the Personal Property Collateral, and all additions, accessions, substitutions, and replacements thereto and therefor, and Borrower hereby grants to Lender, its successors and assigns, a security interest therein. This Mortgage shall also constitute a "construction mortgage" under 11 M.R.S.A. §9-313. Upon occurrence of a Default, Lender may, in its discretion, require Borrower to assemble the Personal Property Collateral and make it available to Lender at a place reasonably convenient to both parties to be designated by Lender. Lender shall give Borrower notice by mail, postage prepaid, of the time and place of any public sale of any of the Personal Property Collateral or of the time any private sale or other intended disposition thereof is to be made by sending notice to Borrower at least five (5) days before the time of the sale or other disposition, which provisions for notice Borrower and Lender agree are reasonable; provided,

however, that nothing herein shall preclude Lender from proceeding as to both the Real Property Collateral and the Personal Property Collateral in accordance with Lender's rights and remedies in respect of the Real Property Collateral. Lender shall have all of the remedies of a secured party under the Uniform Commercial Code as now in effect in the State of Maine and such further remedies as may from time to time hereafter be provided in Maine for a secured party. Borrower agrees that all rights of Lender as to the Personal Property Collateral and as to the Real Property Collateral may be exercised together or separately and further agrees that in exercising its power of sale as to the Premises, Lender may sell the Personal Property Collateral, or any part thereof, either separately from or together with the Real Property Collateral, or any part thereof, all as Lender may in its discretion elect.

16. Grandfathered Uses. If at any time the then existing use or occupancy of the Realty shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, Borrower will not knowingly cause or permit such use or occupancy to be discontinued without the prior written consent of Lender.

17. Notices. All notices, consents, approvals, statements, requests, reports, demands, instruments or other communications to be made, given or furnished pursuant to or under this Mortgage (each, a "Notice") shall be in writing and shall be deemed given or furnished if addressed to the party intended to receive the same at the address of such party as set forth below (i) upon receipt when personally delivered at such address, (ii) three (3) business days after the same is deposited in the United States mail as first class registered or certified mail, return receipt requested, postage prepaid, or (iii) one business day after the date of delivery of such Notice to a nationwide, reputable commercial courier service specifying next day delivery:

(a) If to Lender:

City of Hallowell
1 Winthrop Street
Hallowell, ME 04347
Attn: City Manager

with a copy by the same means sent simultaneously to:

Bernstein Shur
PO Box 9729
100 Middle Street
Portland, ME 04104-5029
Attn: Shana Mueller, Esq.

(b) If to Borrower:

Mastway Development LLC
72 Burtons Lane
Winthrop, ME 04364

Attn: Matt Morrill, Managing Member

with a copy by the same means sent simultaneously to:

FEDERLE LAW
254 Commercial Street
Portland, ME 04101
Attn: Tom Federle, Esq.

Any party may change the address to which any Notice is to be delivered to any other address within the United States of America by furnishing written Notice of such change at least fifteen (15) days prior to the effective date of such change to the other parties in the manner set forth above, but no such Notice of change shall be effective unless and until received by such other parties. Rejection or refusal to accept, or inability to deliver because of changed address or because no Notice of changed address was given, shall be deemed to be receipt of any such Notice. Any Notice to an entity shall be deemed to be given on the date specified in this paragraph, without regard to when such Notice is delivered by the entity to the individual to whose attention it is directed and without regard to the fact that proper delivery may be refused by someone other than the individual to whose attention it is directed. If a Notice is received by an entity, the fact that the individual to whose attention it is directed is no longer at such address or associated with such entity shall not affect the effectiveness of such Notice. Notices may be given on behalf of any party by such party's attorneys.

18. Sale of the Premises. Without Lender's prior written consent, which consent shall not be unreasonably withheld, neither the Borrower, nor any subsequent owner of the Premises shall convey, sell, contract to sell or otherwise transfer the title, ownership, right of possession, or any other interest in the Premises, or in any part thereof, nor shall any interest in the Premises pass from Borrower or from any subsequent owner, whether voluntarily, involuntarily, by operation of law or otherwise. The term "title" as used herein shall mean the estate of Borrower subject to the lien of this Mortgage. For the purposes of this paragraph, any change in the legal or equitable title of the Premises or in the beneficial ownership of the Premises, whether or not of record, and whether or not for consideration, or any direct or indirect change in the ownership of the partnership interests, membership interests, capital stock or other equity securities of Borrower from that existing at the execution of this Mortgage shall be deemed a sale of the Premises prohibited by this paragraph.

19. Encumbrance of the Premises/Subordination. Notwithstanding anything herein that may in any way be construed to the contrary, Borrower may, pursuant to the terms below and Section 5 of the Loan Agreement, encumber the Premises with a mortgage or mortgages and upon request, Lender shall promptly subordinate this Mortgage to any such mortgage; provided that, the mortgage to which Lender is subordinating, is securing financing from an institutional lender for development of an approved project on the Realty, after: (A) Borrower obtains approval by the Hallowell Planning Board and ratification by the Hallowell City Council of a Master Plan for development of the Realty; and (B) Borrower obtains approval from the Planning Board pursuant

to applicable Land Use Ordinance provisions for development of a project pursuant to and consistent with the then-current, as amended if amended, Master Plan.

20. Environmental Matters. Borrower covenants and agrees that the use of the Premises throughout the term of this Mortgage will be in full compliance with all the land use laws and other applicable laws, ordinances, and regulations, together with any other covenants, conditions and restrictions which may affect the Premises. Borrower further agrees that it will not suffer or permit any portion of the Premises to be used, whether by Borrower or by any lessee, license, employee, independent contractor, business invitee or any other person, for the treatment, storage or disposal of any waste oil, petroleum, radon, asbestos, lead paint, contaminant, pollutant or other hazardous, extremely hazardous, toxic, special or dangerous substance, materials and/or wastes (hereinafter collectively referred to as "Hazardous Substances"), as the same may now or hereafter be defined under federal, state or local law, and shall take all steps required by applicable law with respect to any Hazardous Substances found in, on or under the Premises. Lender shall have the right, but not the obligation, at any reasonable time, to enter and inspect the Premises for any and all purposes, including conducting environmental investigations, audits, assessments or surveys. Borrower hereby agrees to reimburse Lender for, and to indemnify and hold Lender harmless from and against, any and all demands, costs, expenses, damages or liabilities including, without limitation, reasonable attorneys' fees and court costs, that Lender, its agents, successors or assigns, may incur or be put to as a result of Borrower's violation of the terms and conditions of this paragraph. The foregoing indemnity shall survive and continue in full force and effect notwithstanding the payment of the Note and/or the discharge of this Mortgage

20. **JURY TRIAL WAIVER**

IN RECOGNITION OF THE HIGHER COSTS AND DELAY WHICH MAY RESULT FROM A JURY TRIAL, EACH OF BORROWER AND, BY ITS ACCEPTANCE HEREOF, LENDER, WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING HEREUNDER, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF LENDER OR BORROWER OR ANY OF THEM WITH RESPECT HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH OF LENDER AND BORROWER WAIVES ANY RIGHT TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED; AND EACH OF BORROWER AND, BY ITS ACCEPTANCE HEREOF, LENDER, HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT EITHER BORROWER OR LENDER MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF LENDER AND BORROWER TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY DISCUSSED BY BORROWER AND LENDER, AND THESE PROVISIONS SHALL NOT BE SUBJECT

TO ANY EXCEPTIONS. NEITHER BORROWER NOR LENDER HAS AGREED WITH OR REPRESENTED TO THE OTHER THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

21. Consent to Jurisdiction. Borrower hereby irrevocably and unconditionally (a) submits to personal jurisdiction in the State of Maine over any suit, action or proceeding arising out of or relating to this Mortgage, and (b) waives any and all personal rights under the laws of any state to object to jurisdiction within the State of Maine or venue in any particular forum within the State of Maine. Nothing contained herein, however, shall prevent Lender from bringing any suit, action or proceeding or exercising any rights against any security and against Borrower personally, and against any property of Borrower, within any other state. Initiating such suit, action or proceeding or taking such action in any state shall in no event constitute a waiver of the agreement contained herein that the laws of the State of Maine shall govern the rights and obligations of the parties hereunder or of the submission herein made by Borrower to personal jurisdiction within the State of Maine.

22. Commercial Purpose of Note and Mortgage. Borrower warrants and represents to Lender that the proceeds of the Note will be used solely for business or commercial purposes, and in no way will the proceeds be used for personal, family or household purposes, and Borrower agrees that this Mortgage is given primarily for a business, commercial or agricultural purpose.

23. Merger. This Mortgage, together with the other Loan Documents, constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter.

24. Governing Law; Severability. This Mortgage and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the State of Maine, without regard to its laws regarding conflicts or choice of law. If any term or provision of this Mortgage or the application thereof to any party or circumstance shall to any extent be invalid or unenforceable, the remainder of this Mortgage, or the application of such term or provision to parties or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Mortgage shall be valid and enforceable to the maximum extent permitted by law.

25. Captions. The use of paragraph headings in this Mortgage is for purposes of convenience only, and no caption or heading shall affect in any way the interpretation, meaning or construction of this Mortgage.

26 Successors and Assigns. The covenants herein contained shall bind, and the benefits and advantages shall inure to, except as herein specifically limited, the respective successors and assigns of Borrower and Lender. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender or the neuter shall be applicable to all genders and the neuter.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Borrower has caused this instrument to be executed under seal by its duly authorized representative as of this 29th day of SEPTEMBER, 2016.

WITNESSETH:

MASTWAY DEVELOPMENT LLC

By: _____
Matt Morrill
Its Managing Member

_____
Witness

STATE OF MAINE
COUNTY OF KENNEBEC, ss. SEPT. 29, 2016, 2016

THEN PERSONALLY APPEARED the above-named Matt Morrill, Managing Member of Mastway Development LLC, as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said limited liability company.

Before me,

_____
Name:
~~Attorney-At-Law~~ / Notary Public

DANIEL P. KELLEY
State of Maine
My Commission Expires Sept. 8, 2019