PROMISSORY NOTE

$238,000.00 **September 30, 2016**

FOR VALUE RECEIVED, the undersigned **MASTWAY DEVELOPMENT LLC**, a Maine limited liability company whose mailing address is 72 Burtons Lane, Winthrop, ME 04364, (hereinafter referred to as the "Borrower"), hereby agrees to pay to the order of the **CITY OF HALLOWELL**, a public body corporate and politic whose mailing address is 1 Winthrop Street, Hallowell, Maine 04347 (hereinafter referred to as the "Lender"), the principal sum of up to TWO HUNDRED THIRTY EIGHT THOUSAND AND 00/100 Dollars ($238,000.00) with interest from time to time advanced, computed from date of each such advance at the rate of five percent (5%) per annum. All computations of interest due hereunder shall be based on the actual number of days elapsed over a 360-day year. Payment of principal and interest hereunder shall be deferred until April 1, 2022, although interest shall accrue from the date of each advance of principal, and unless this Promissory Note is forgiven as set forth below, shall be capitalized and added to the then principal amount due hereunder on April 1, 2022.

In the event Borrower fully and timely satisfies all of the conditions set forth in Section 7 of that certain Block Grant Loan Agreement executed by Lender and Borrower on September _, 2016 (the "Block Grant Loan Agreement") and is not in default under said Block Grant Loan Agreement, then this Promissory Note shall be forgiven in its entirety.

In the event that Borrower has not fully and timely satisfied all of the conditions of the foregoing paragraph by April 1, 2022, the Borrower shall begin repayment, on that date, of the outstanding principal due hereunder plus all accrued interest retroactive to the date of each advance of principal made hereunder, which accrued interest shall be capitalized as of said April 1, 2022 and added to the principal balance then due hereunder. In such event, beginning on said April 1, 2022, Borrower shall make one hundred twenty (120) equal monthly installment payments to Lender of principal (including the aforesaid accrued and capitalized interest) and interest at the interest rate set forth above with such payments being amortized over a ten (10) year period with the first such payment being due on April 1, 2022. On January 1, 2032, all principal, accrued but unpaid interest and all other amounts due under this Promissory Note shall be due and payable in full.

All installments and sums due hereunder and any notice given by the Borrower to the Lender shall be made to the City of Hallowell, as payee hereof, at the address set forth above, or to such other parties or addresses as the Lender may from time to time designate in writing to the Borrower or to other parties liable herefor. Any notice by the Lender to the Borrower hereof shall be addressed to the address of the Borrower set forth above, or to such other address as the Borrower may from time to time designate in writing to the lender. Any notice shall be deemed duly given if addressed in the manner herein provided and sent postage prepaid, certified or registered US Mail, return receipt

requested, or delivered by hand and securing a receipt therefor, or sent via recognized national overnight courier.

The foregoing monthly payments may be applied as follows, at the option of the Lender: (a) first, to all late charges and other costs and charges payable hereunder or in connection herewith, other than principal or interest; (b) second, to the interest on the unpaid balance of the debt evidenced hereby, with interest on all overdue interest at the same rate; and (c) the remainder to the unpaid principal of the debt, until the same is paid in full.

The undersigned reserves the right to pay any portion of, or all of, the outstanding principal and interest before the due date thereof and to make additional payments on account of the principal balance at any time during the life of this Promissory Note without prepayment penalty provided all accrued interest is paid to the date of each such payment.

In the event that any or all of the following shall occur (each, an "Event of Default"): (a) the Borrower shall fail to pay any amount when due hereunder, and such failure shall continue for ten (10) calendar days; (b) there shall occur a default in the terms or conditions of that certain Mortgage, Security Agreement and Financing Statement of even date herewith, given to the Lender by the Borrower as security herefor (the "Mortgage") and such default shall continue after the period set forth in said Mortgage for the purpose of curing such default; or (c) there shall occur a default in the terms or conditions of any other instrument(s) executed in connection herewith or which may from time to time be given as additional security herefor and such default shall continue after the period, if any, set forth in such instrument(s) for the purpose of curing such default, then, in each and every such case, the Lender shall have the option to declare due and payable at once the entire principal balance hereof together with accrued interest, and the Lender shall have such additional rights and remedies as are set forth in said Mortgage.

Notwithstanding the foregoing, in the event that any monthly installment payment due hereunder is not received by the Lender within thirty (30) days after its due date, then the Lender shall be entitled to collect, in addition to that payment, a late fee equal to ten percent (10%) of that payment.

Failure to exercise the foregoing options in the event of default or late payment shall not constitute a waiver of the right to exercise the same in the event of any subsequent default or late payment.

This Promissory Note is subject to the condition that at no time shall the Borrower be obligated or required to pay interest at a rate which could subject the Lender to either civil or criminal liability, forfeiture or loss of principal, interest, or other sums as a result of being in excess of the maximum interest rate which the Borrower is permitted by law to contract or agree to pay or which the Lender is permitted to receive. If, by the terms of this Promissory Note, the Borrower is at any time required or obligated to pay interest at a rate in excess of such maximum rate, the rate of interest under this Promissory Note shall be deemed to be immediately reduced to such maximum rate for so long as such

maximum rate shall be in effect and shall thereafter be payable at the rate herein provided.

If any payment of principal or interest hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance, the obligation of the Borrower and all other parties liable herefor (if any) shall, jointly and severally, to the extent thereof, survive as an obligation due hereunder and shall not be discharged by said payment, notwithstanding the return by the Lender to the Borrower or any other party of the original of this Promissory Note.

The Borrower waives demand, protest, notice and presentment of every kind, and waives recourse to suretyship defenses generally, including extensions of time, releases of security, and other indulgences which may be granted from time to time by the Lender of this Note to the Borrower or any party liable herefor and also agree to pay the reasonable costs of collection hereof, including reasonable attorneys' and paralegals' fees and costs.

This Promissory Note, together with the Mortgage and Block Grant Loan Agreement, 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. This Promissory Note cannot be altered, modified, amended, waived, extended, changed, discharged, or terminated orally or by any act of the Borrower or the Lender, but only by an agreement in writing signed by the party against whom enforcement of any alteration, modification, amendment, waiver, extension, change, discharge or termination is sought.

This Promissory Note evidences a loan for business and commercial purposes, and not for personal, family or household purposes and is secured by the aforesaid Mortgage from the Borrower to the Lender encumbering the Stevens School Property located in Hallowell, Maine and recorded in the Kennebec County Registry of Deeds.

No invalidity or unenforceability of any portion of this Promissory Note shall affect the validity or enforceability of the remaining portions hereof. This Promissory Note is intended to take effect as a sealed instrument, and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by those laws of the State of Maine that are applicable to agreements that are negotiated, executed, delivered and performed solely in the State of Maine.

WAIVER OF JURY TRIAL

THE BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT TO A JURY TRIAL, WHETHER ARISING UNDER THE MAINE CONSTITUTION, THE UNITED STATES CONSTITUTION, OR ANY STATE OR FEDERAL STATUTE, REGULATION, COMMON LAW, OR RULE OF CIVIL PROCEDURE, WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS PROMISSORY NOTE OR ANY RELATED LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. THE BORROWER

(A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT LENDER WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (B) ACKNOWLEDGES THAT THE LENDER HAS BEEN INDUCED TO ACCEPT THIS PROMISSORY NOTE AND TO ENTER INTO THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY BY, AMONG OTHER THINGS, THE WAIVER AND CERTIFICATION CONTAINED HEREIN.

MASTWAY DEVELOPMENT LLC

_____
Witness

By: _____
Matt Morrill
Its Managing Member

State of Maine
County of KENNEBEC
On Sep. 29, 2016, MATT MORRILL
personally appeared before me,

X who is personally known to me
____ whose identity I proved on the basis of _____
____ whose identity I proved on the oath/affirmation of _____,
a creditable witness

to be the signer of the above document, and he/she acknowledged that he/she signed it.

Notary Public

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