

NOTE

\$

Lowell, Massachusetts

FOR VALUE RECEIVED of Lowell Massachusetts (the "Maker(s)", promise to pay to the order of the LOWELL DEVELOPMENT AND FINANCIAL CORPORATION, a Massachusetts corporation (the "Holder"), at 660 Suffolk Street, Suite 120, Lowell, Massachusetts, the principal sum of (\$) without interest in five equal installments of \$ each payable on the fifth*, sixth, seventh, eighth and ninth anniversaries of this Note or, if earlier, in full or upon the first to occur of the following events: 1) the sale, transfer, refinance, conveyance or assignment of all or any of the interests of the Makers, or either of them, other than a mortgage to , any substitute, replacement, or succeeding mortgage in the property located at , Lowell, Massachusetts as more particularly described in a Mortgage Deed of even date herewith from the Makers to the Holder and recorded at the Middlesex North District Registry of Deeds; or 2) the death of the last surviving Maker of this Note. **Notwithstanding the provisions herein, at the time of the first payment on the fifth anniversary of this note, an additional \$100.00 will be paid to the note holder as an administrative expense.*

The Maker(s) hereby acknowledge and agree that the loan evidenced by this Note is made by the Holder for the sole purpose of assisting the Makers in purchasing the property located at -----, Lowell, Massachusetts.

Should default be made in any obligation of the Makers under this Note or should there be a failure to carry out the terms or conditions of the Mortgage given as collateral security for this Note, then the whole sum of principal then remaining unpaid shall become immediately due and payable forthwith without notice at the option of the Holder and owner of this Note. If the Note Holder has not received the full amount of any payment due by the end of fifteen (15) calendar days after the date it is due, the Makers will pay a late charge to the Note Holder. The late charge will be three percent (3%) of any overdue payment.

Presentment for payment, protest, notice of protest, demand and notice of nonpayment are hereby waived by all makers, sureties, guarantors and endorsers hereof. The Note shall be the joint and several obligations of all makers, sureties, guarantors, and endorsers and shall be binding upon them and their successors and assigns.

All parties now or hereafter liable for the payment of any of the indebtedness hereby evidenced agree, by executing or endorsing this Note or by entering into or executing any agreement to pay any indebtedness hereby evidenced, that the owner or Holder hereof shall have the right, without notice, to deal in any way at any time with any party or to grant any extensions of time for payment of any of said indebtedness or any other indulgences or forbearances whatsoever without in any way affecting the liability of any party hereunder.

Maker agrees to pay on demand all costs of enforcement or collection of this Note, including reasonable fees of attorneys, paid or incurred by the Holder hereof in enforcing the obligations of the Makers, whether contained in this Note, the Mortgage securing same or otherwise.

The indebtedness evidenced by this Note is secured by a mortgage of even date herewith on real estate located at _____, Lowell, Massachusetts, which Mortgage is duly recorded at Middlesex North District Registry of Deeds.

Executed as a sealed instrument this _____ day of _____, 20__.

Witness

MORTGAGE DEED

I/We, _____, of Lowell, Massachusetts (the "Mortgagors"), grant to THE LOWELL DEVELOPMENT AND FINANCIAL CORPORATION (the "Mortgagee") a corporation duly organized under the laws of the Commonwealth of Massachusetts, doing business at 660 Suffolk Street, Suite 120, Lowell, Massachusetts, with MORTGAGE COVENANTS, to secure the payment of the principal sum of (\$ _____) without interest, payable in five equal installments of \$ _____ each payable on the fifth*, sixth, seventh, eighth and ninth anniversaries of this Mortgage Deed or, if earlier, in full, or upon 1) the sale, transfer, refinance, conveyance or assignment of all or any portion of the interest of the Mortgagors, or either of them other than a mortgage to _____, or any substitute, replacement, or succeeding mortgage, in the Mortgaged Premises; or 2) the death of the last surviving Maker of the Note; all as provided in Mortgagors' Note of even date (the "Note"); and to secure the observance and performance of all of the covenants and agreements of this Mortgage and of said Note; and, to secure performance of all other agreements of or by the Mortgagors to or for the benefit of the Mortgagee now existing or hereafter made while this Mortgage is undischarged, and land together with the buildings, structures fixtures and other improvements now thereon, commonly known and numbered _____ and situated in said Lowell and more particularly described in Schedule A attached to and made a part of this Mortgage. **At the time of the first payment on the fifth anniversary of this mortgage, an additional \$100.00 will be paid to the note holder as an administrative expense.*

This Mortgage is subject to a Mortgage at _____ (\$ _____).

The Mortgagor(s) covenant and agree to make to the Mortgagee on demand and in the event that such payments are not being made to the First Mortgagee, in addition to any principal payments provided in the Note hereby secured, equal monthly payments sufficient to amortize the amount, estimated by the Mortgagee, of real estate taxes, charges and assessments and other governmental charges, whether or not assessed the Mortgagors, if applicable or related in any way to the Mortgaged Premises or to any interest of the Mortgagors or of any other person or organization in the Mortgaged Premises within a period ending one month prior to the due date of such taxes and assessments. The Mortgagee shall hold such monthly payments to pay such taxes and assessments when due and payable, subject to an equitable adjustment if the monies thus paid based on the aforesaid estimate shall be more or less than the actual amount due for said taxes and assessments, and in the event of foreclosure of this Mortgage, all such payments shall be credited to the amount of the principal remaining unpaid on said Note to the extent they have not been used for the payment of taxes and assessments as provided herein.

The Mortgagor(s) covenant and agree to keep the Mortgaged Premises insured against fire and against such other casualties and contingencies, with such insurers as may be satisfactory to the Mortgagee and in an amount not less than the aggregate of the principal balances of all mortgages outstanding on the Mortgaged Premises; and all insurance upon the Mortgaged Premises shall be for the benefit of, and payable in case of loss to the Mortgagee, as its interests may appear, and the Mortgagor shall deposit all of said insurance policies or certificates thereof with the Mortgagee. All such insurance policies shall contain a provision forbidding cancellation of such insurance by the insurer until at least (15) days after written notice of the proposed cancellation is given to the Mortgagee, and Mortgagors hereby covenant not to cancel any such insurance without at least thirty (30) days' prior written notice to the Mortgagee.

Mortgagor(s) covenant and agree that if the Mortgaged Premises or any part thereof shall be damaged or destroyed by fire or other hazard against which insurance is held, or if the Mortgaged Premises or any portion thereof shall be taken by eminent domain, no settlement on account of any loss or damage shall be made without the prior written consent of the Mortgagee, and any proceeds from insurance or damages for such taking, as the case may be, shall be paid to the Mortgagee, and the Mortgagor(s) hereby irrevocably assign the same to the Mortgagee; the Mortgagee, at its discretion, may either apply such proceeds against the debt secured hereby (in which case the Mortgagor(s)' obligations hereunder to restore such damage to the Mortgaged Premises as may have been caused by fire, or other hazard or taking, shall terminate), or release such portion of the proceeds to the Mortgagor(s) as is necessary to restore the Mortgaged Premises to their prior condition insofar as is practicable upon such terms and conditions as the Mortgagee deems appropriate, and apply the balance thereof, if any, to the debt secured hereby; provided, however, that if any insurer of the Mortgaged Premises denies liability, the Mortgagors shall not be relieved of their obligations to restore the Mortgaged Premises.

No portion of the Mortgaged Premises shall be rented, leased, licensed to or permitted to be used by persons other than the Mortgagors without the prior written approval of the Mortgagee.

Mortgagor(s) covenant and agree to put, maintain and keep the mortgaged Premises at all times in as good repair and condition as the same now are or hereafter may be put, reasonable wear and tear expected, damage from casualty expressly not excepted, permitting and suffering no waste or strip of the same to occur, nor any violation of any law, by-law, ordinance, restriction, regulation, order, or code affecting the Mortgaged Premises or the use thereof; and not to remove or alter any of the improvements, equipment, appliances, furnishings and fixtures constituting part of the Mortgaged Premises without the consent of the Mortgagee.

The Mortgagor(s) covenant and agree to perform and observe all of the terms and conditions of the Note secured by this Mortgage, and of any other mortgage upon the premises; and, further covenant and agree to pay on demand to the Mortgagee, or the Mortgagee may at its option add to the principal balance then due, any sums advanced or paid by the Mortgagee on account of any default, or whatever nature, by the Mortgagor(s), or any sums advanced or paid, whether before or after default, for taxes, repairs, improvements insurance on the Mortgaged Premises or other insurance pledged as collateral to secure the mortgage loan, or any sums paid by the Mortgagee, including reasonable attorney's fees, in prosecuting, defending or intervening in any legal or equitable proceeding wherein any of the rights created by this Mortgage are, in the sole judgment of the Mortgagee, jeopardized or in issue; to pay on demand to the Mortgagee sums equivalent to the same percentage on the debt secured hereby as said Mortgagee shall from time to time be required to pay as a state tax on its funds invested in loans by mortgages of taxable real estate, if any.

Should default be made in any obligation of the Mortgagor(s) under this Mortgage or the Note secured hereby, then the entire debt secured hereby, shall become immediately due and payable forthwith without notice at the option of the Holder of the Note and the Mortgagee shall have the STATUTORY POWER OF SALE as hereinafter provided.

In the event the legal or beneficial ownership of said Mortgaged Premises, or any portion thereof or interest therein becomes vested in anyone other than the Mortgagor(s), or the last survivor of the Mortgagor(s), or upon the appointment of a guardian or conservator for either of the Mortgagor(s) or any guarantors or endorsers (other than an endorser without recourse) of the Note secured hereby, the entire Mortgage debt secured hereby shall, at the option of the Mortgagee, become due and payable on demand; provided, however, that the Mortgagee may, without notice to the Mortgagors, deal with the Mortgagor(s)' successors in interest with reference to the Mortgage and the debt secured hereby in the same manner as with the Mortgagor(s), without in any way vitiating or discharging the Mortgagee(s)' liability or obligations with respect to the Mortgage or the debt secured hereby. No sale of the Mortgaged Premises hereby mortgaged and no forbearance on the part of the Mortgagee or extension of the time for the payment of the debt secured hereby or any other indulgence given by the Mortgagee shall operate to release, discharge, modify, change or affect the original liability of the Mortgagor(s), nor the priority of this Mortgage, either in whole or in part, notice of such forbearance, extension or other indulgence being hereby expressly waived.

The Mortgagor(s) covenant and agree that the entire indebtedness secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, if (a) by order of a court of competent jurisdiction a receiver or liquidator or trustee of either Mortgagor or both Mortgagors, or the record owner for the time being of the Mortgaged Premises, or any guarantor or endorser of the Note, shall be appointed and shall not have been discharged within thirty (30) days; (b) any involuntary petition under the Federal Bankruptcy Code or any other similar statute applicable to either Mortgagor or both

Mortgagors, or to such owner, guarantor, or endorser shall be filed by or against either Mortgagor or both Mortgagors, or such owner, guarantor or endorser and shall not be dismissed within thirty (30) days after such filing; (c) either Mortgagor or both Mortgagors or such owner, guarantor or endorser shall file a petition in voluntary bankruptcy under any provisions of any bankruptcy or reorganization law; or (d) either Mortgagor or both Mortgagors or such owner, guarantor or endorser shall institute any proceeding for its dissolution or liquidation, or shall make an assignment or mortgage for the benefit of creditors generally, or shall admit in writing inability to pay either Mortgagor or both Mortgagors, or such owner's, guarantor's or endorser's debts generally as they become due, or shall consent to the appointment of a receiver or trustee or liquidator; or (e) without limiting the generality of the foregoing, either Mortgagor or both Mortgagors or such owner, guarantor or endorser shall file a petition for an arrangement or reorganization pursuant to the Federal Bankruptcy Act or any other similar statute applicable to such owner, guarantor or endorser.

If this Mortgage is at any time subject or subordinate to another mortgage, the Mortgagor(s) shall not modify, amend, or extend such prior mortgage, or the debt or other obligation secured thereby, if such modification, amendment or extension will adversely affect the Mortgagee, without the consent of the Mortgagee; any default under any such prior mortgage or the obligations secured thereby shall be a default hereunder, and the Mortgagee shall be entitled, among its other rights, but not obligated, to cure said default, as provided herein.

The Mortgagor(s) covenant and agree that in the event of any default hereunder then the Mortgagee shall be entitled, but not obligated, to cure any such default. The Mortgagee shall be reimbursed by the Mortgagors for all costs, charges and expenses, including without limitation attorneys' fees incurred in connection with the consummation of the transaction evidenced by the Note and secured hereby, and in connection with any action undertaken hereunder; and that all such sums for which the Mortgagee may be entitled to reimbursement shall be added to the principal sum of the debt secured hereby, shall earn interest at the rate of 18% per annum, shall be secured by this Mortgage, and shall be payable on demand of the Mortgagee, whether or not the remaining principal balance of said Note has been declared due and payable.

Wherever the words "Mortgagor" and "Mortgagee" are used herein, they shall include their several heirs, executors, administrators, successors, grantees, and assigns subject to the limitations of law and of this instrument, and if the context requires, the words "Mortgagor" and "Mortgagee" and the pronouns referring to them shall be construed as plural, neuter or feminine.

This Mortgage is upon the STATUTORY CONDITION and upon the further condition that all covenants and agreements of the Mortgagors in said note, this Mortgage and all other instruments executed in connection therewith from the Mortgagors to the Mortgagee shall be kept and fully performed and upon breach of any of the same, the Mortgagee shall have the STATUTORY POWER OF SALE and any other powers given by the statute.

The rights and remedies of the Mortgagee under this Mortgage shall be cumulative and shall not exclude any other rights and remedies now or hereafter allowed by law to mortgagees or secured creditors. The failure by the Mortgagee to insist upon a strict performance of any of the obligations of the Mortgagor(s) or to exercise any remedy for any breach or violation of this Mortgage shall not be taken as a future waiver of the right to insist upon strict performance by the Mortgagors, or to exercise any remedy for such breach or violation, except as otherwise provided herein. Without limiting the generality of any of the foregoing, the Mortgagee shall also have all the rights and remedies of a secured party under the Uniform Commercial Code in effect in the Commonwealth with respect to the fixtures and tangible personal property which are or become part of the Mortgaged Premises and are owned by the Mortgagors. Notice in accordance with the applicable provisions of the Uniform Commercial Code in effect in the Commonwealth mailed to the Mortgagor(s) shall constitute reasonable notification of the exercise of Mortgagee's rights and remedies under said Code. To the extent permitted by law, the Mortgagee may treat all or any portion or portions of the Mortgaged Premises as personal property and, if a default exists hereunder, may remove, without notice, the same from the premises included within the Mortgaged Premises for the purposes of exercising its rights and remedies hereunder.

This Mortgage is and shall be subject and subordinate to the First Mortgagee described above and to any and all renewals, modifications, replacements and extensions thereof (the "Refinancing"). The Refinancing may occur in connection with the payment of the First Mortgage at stated maturity or upon earlier prepayment or otherwise and may provide for such rate of interest, amortization schedule, prepayment premiums, late charges, and other terms and conditions as the mortgagor shall determine. The Refinancing may be secured by a mortgage granting to the holder thereof a first lien security interest in the Mortgaged Premises. Mortgagee shall upon the written request of Mortgagor, promptly execute and deliver to Mortgagor such

subordination agreements in recordable form as the Mortgagor may reasonably require to consummate such Refinancing as indebtedness secured by a valid and subsisting mortgage on the Mortgaged Premises.

WITNESS our hand(s) and seal(s) this _____ day of _____, 20__.

STATE OF MASSACHUSETTS

COUNTY OF MIDDLESEX

On this _____ day of _____, 20__, before me, the undersigned notary public, personally appeared, _____, proved to me through satisfactory evidence of identification, which were

_____, to be the person(s) whose name is signed on the proceeding or attached document in my presence.

Notary Public
My Commission Expires :