



Massachusetts  
Housing Partnership Fund



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## MORTGAGE AND SECURITY AGREEMENT

Property Address: 18 Springs Road, Bedford, Massachusetts

THIS MORTGAGE AND SECURITY AGREEMENT ("**Mortgage**") is made as of February 17, 2006, between PATRIOT PLACE, LLC, a Massachusetts limited liability company, having a business address of 17 North Road, Bedford, Massachusetts 01710 (hereinafter called "**Borrower**"), and the MASSACHUSETTS HOUSING PARTNERSHIP FUND BOARD, a public instrumentality and body politic and corporate, having a business address of 160 Federal Street, Boston, MA 02110 (hereinafter called "**Lender**").

### SECTION 1 - GRANT OF MORTGAGE

FOR VALUE RECEIVED, Borrower hereby grants, conveys, transfers and assigns to Lender, with MORTGAGE COVENANTS, UPON THE STATUTORY CONDITION AND WITH THE STATUTORY POWER OF SALE, the Mortgaged Property (as defined below) to secure the Obligations (as defined below).

### SECTION 2 - THE LOAN

This Mortgage is granted to secure the full and prompt repayment and performance of the Borrower's obligations to the Lender in connection with a Loan from the Lender to the Borrower described in the Loan Agreement dated as of even date between the Borrower and the Lender and evidenced by the Note, as each may be amended, modified, extended, renewed or restated and the Obligations of the Borrower hereunder. Capitalized terms used herein, which are not otherwise specifically defined, shall have the same meaning herein as in the Loan Agreement.

### SECTION 3 - DEFINITIONS

3.1 The term "**Mortgaged Property**" shall mean and include all of the following described property:

3.1.1 **Real Estate.** The land more particularly described on Exhibit A which is annexed hereto and made a part hereof ("**Land**") together with the buildings, parking areas, landscaping improvements and any other structures now or hereafter situated thereon (such improvements being sometimes called the "**Improvements**") commonly known as and numbered 18 Springs Road, Bedford, Middlesex County, Massachusetts, together with all rights, privileges, tenements, hereditaments, appurtenances, bridges, rights of way, licenses and easements, including, but not limited to, rights and easements for access and egress and utility connections, rights, title and interest in and to the land lying within any street or roadway adjoining the Land, and other rights now or hereafter appurtenant thereto ("**Real Estate**");

3.1.2 **Fixtures.** All real estate fixtures or items which may be deemed to be such fixtures, now or hereafter owned by Borrower, or in which Borrower has or hereafter obtains an interest, and now or hereafter located in or upon the Real Estate, or now or hereafter attached to, installed in, or used in connection with any of the Real Estate, including but not limited to, any and all portable or sectional buildings, bathroom, plumbing, heating, lighting, refrigerating, ice making, ventilating and air-conditioning apparatus and equipment, garbage incinerators and receptacles, elevators and elevator machinery, boilers, furnaces, stoves, tanks, motors, sprinkler and fire detection and extinguishing systems, doorbell and alarm systems, carpeting, window shades, screens, awnings, screen doors, storm and other detachable windows and doors, mantels, partitions, built-in cases, counters and other fixtures whether or not included in the foregoing enumeration ("**Fixtures**");

3.1.3 **Leases and Profits.** All leases now or hereafter entered into of the Real Estate, or any portion thereof ("**Leases**"), and all rents, issues, profits, revenues, earnings, royalties, mineral, oil, gas and water rights and profits deriving from the Real

Please return to:  
Nancy J. Blueweiss, Associate General Counsel  
Massachusetts Housing Partnership Fund  
160 Federal Street, Boston, MA 02110

Book 44147 p. 251

MA BROWN, LLC  
GREAT ROAD  
BEDFORD, MA 01730

Estate, and all right, title, and interest of Borrower thereunder, including, without limitation, cash, letters of credit, or securities deposited thereunder to secure performance by the tenants or occupants of their obligations thereunder ("**Profits**");

3.1.4 Personal Property. All tangible and intangible personal property now owned or at any time hereafter acquired by Borrower of every nature and description, and whether or not used in any way in connection with the Real Estate, the Fixtures or any other portion of the Mortgaged Property, including, without limitation, all Equipment, Goods, Inventory, Fixtures, Accounts, Instruments, Documents and General Intangibles (as each such capitalized term is defined in the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts) and further including, without any such limitation: materials; security deposits; utility deposits; any insurance, tax, water, sewer or other escrows deposited with Lender; any operating, debt service, replacement or other reserves deposited with Lender; any other escrows or reserves established for the Project; any cash collateral deposited with Lender; claims to rebates, refunds or abatements of real estate taxes or any other taxes; contract rights; plans and specifications; licenses, permits, approvals and other rights; the rights of the Borrower under contracts with respect to the Real Estate or any other portion of the Mortgaged Property; signs, brochures, advertising, the name by which the Mortgaged Property is known and any variation of the words thereof, and good will; copyrights and trademarks; all proceeds paid for any damage or loss to all or any portion of the Real Estate, the Fixtures, any other Personal Property or any other portion of the Mortgaged Property ("**Insurance Proceeds**"); all Awards as defined in Section 3.1.5; all Leases; all Profits; all books and records; and all proceeds, products, additions, accessions, substitutions and replacements to any one or more of the foregoing (collectively, the "**Personal Property**"); and

3.1.5 Awards. All of the rights, title and interest of Borrower in and to any award or awards heretofore made or hereafter to be made by any municipal, county, state or federal authorities to the present or any subsequent owners of any of the Real Estate, the Improvements, the Fixtures, the Leases or the Personal Property, including, without limitation, any award or awards, or settlements or payments, or other compensation hereafter made resulting from (i) condemnation proceedings or the taking of the Real Estate, or the Improvements, or the Fixtures or the Leases, or the Profits, or the Personal Property, or any part thereof, under the power of eminent domain, or (ii) the alteration of grade or the location or discontinuance of any street adjoining the Land or any portion thereof, or (iii) any other injury to or decrease in value of the Real Estate, or the Land, or the Improvements, or the Fixtures, or the Leases, or the Profits, or the Personal Property ("**Awards**").

3.2 The term "**Obligations**" shall mean and include:

3.2.1 The payment of the principal sum, interest, charges and indebtedness evidenced by a promissory note ("**Note**") dated as of even date herewith, including any extensions, renewals, replacements, modifications and amendments thereof, in the original principal amount of EIGHT HUNDRED FIFTEEN THOUSAND AND 00/100 DOLLARS (\$815,000.00) made by the Borrower to the order of Lender;

3.2.2 The payment, performance, discharge and satisfaction of each covenant, warranty, representation, undertaking and condition to be paid, performed, satisfied and complied with by Borrower under and pursuant to this Mortgage or the Loan Agreement and also by Borrower under and pursuant to each of the other Loan Documents referred to in, or executed in connection with, the Loan Agreement;

3.2.3 The payment of all costs, expenses, legal fees and liabilities incurred by Lender in connection with the enforcement of any of Lender's rights or remedies under this Mortgage, the other Loan Documents, or any other instrument, agreement or document which evidences or secures any other obligations or collateral therefor, whether now in effect or hereafter executed; and

3.2.4 The payment, performance, discharge and satisfaction of all other liabilities and obligations of Borrower to Lender, whether now existing or hereafter arising, direct or indirect, absolute or contingent, under any one or more of the Loan Documents and any amendment, extension, modification, replacement or recasting of any one or more of the instruments, agreements and documents referred to herein or therein or executed in connection with the transactions contemplated hereby or thereby.

#### SECTION 4 - SECURITY INTEREST

4.1 Borrower hereby grants to Lender a continuing security interest in all of the Mortgaged Property in which a security interest may be granted under the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts including, without limitation, the Fixtures and the Personal Property, together with all proceeds and products, whether now or at any time hereafter acquired and whether or not used in any way in connection with the development, construction, marketing or operation of the Real Estate, or in connection with the Project, to secure all Obligations.

4.2 This instrument is intended to take effect as a security agreement pursuant to Massachusetts General Laws, Chapter 106, Section 9-101 et seq. and is to be recorded with the Middlesex County South District Registry of Deeds as a financing statement pursuant to General Laws Chapter 106, Section 9-501,502.

## SECTION 5 - BORROWER COVENANTS

5.1 Borrower covenants, warrants, represents and agrees with Lender, its successors and assigns, that:

5.1.1 Title. Borrower has good record and marketable fee-simple title to the Mortgaged Property and has good right, full power and lawful authority to grant and convey the same in the manner aforesaid; and that the Mortgaged Property is free and clear of all encumbrances and exceptions, except for the Permitted Encumbrances, if any, as set forth on Exhibit B which is annexed hereto and made a part hereof. Borrower shall make any further assurances of title that Lender may in good faith require including, without limitation, such further instruments as may be requested by Lender to confirm the assignment to Lender of all Awards.

5.1.2 Performance of Obligations. Borrower shall pay and perform all Obligations.

5.1.3 Protection and Maintenance. Borrower shall maintain, or cause to be maintained, the Mortgaged Property, or any portion thereof, in good and substantial order, repair and tenantable condition at all times. Borrower shall promptly replace any part of the aforesaid which may become lost, destroyed or unsuitable for use with other property of similar character and quality.

5.1.4 No Waste; Compliance with Law. Borrower shall not commit or suffer any strip or waste of the Mortgaged Property, or any portion thereof, or any violation of any law, rule, regulation, ordinance, license or permit, or the requirements of any licensing authority affecting the Mortgaged Property or any business conducted thereon, and shall not commit or suffer any demolition, removal or material alteration of any of the Mortgaged Property (except for the replacement of Fixtures and Personal Property in the ordinary course of business, so long as items of comparable value and quality are installed free and clear of liens in favor of any other party), without the express prior written consent of Lender in each instance which consent shall not be unreasonably withheld, conditioned or delayed, and shall not violate nor suffer the violation of the covenants and agreements, if any, of record against the Mortgaged Property, and in all respects Borrower shall do all things necessary to comply with, and keep in full force and effect all licenses, permits and other governmental authorizations for the operation of the Mortgaged Property for its intended purposes, including, without limitation express or implied, the licenses, permits and authorizations referenced in the Loan Agreement.

5.1.5 Escrows and Reserves. Borrower shall maintain such tax, water and sewer, insurance, operating and debt service, replacement and other escrows or reserves as specified in the Loan Agreement.

5.1.6 Payment of Taxes and Prevention of Liens. Borrower shall pay before delinquent or before any penalty for nonpayment attaches thereto, all taxes, assessments and charges of every nature and to whomever assessed that may now or hereafter be levied or assessed upon the Mortgaged Property or any part thereof, or upon the rents, issues, income or profits thereof or upon the lien or estate hereby created, whether any or all of said taxes, assessments or charges be levied directly or indirectly or as excise taxes or as income taxes. Borrower's obligations with regard to real estate taxes and water and sewer charges hereunder shall be satisfied so long as Borrower makes payments required by Section 5.1.5, above. Borrower may apply for tax abatements and prosecute diligently and in good faith claims for refund so long as: (i) no additional taxes, interest thereon or penalties are accrued thereby, (ii) a sufficient tax reserve fund as determined by Lender in good faith has been deposited with Lender, and (iii) no proceedings are instituted to divest the Borrower of title to all or any portion of the Mortgaged Property. Borrower shall pay all sums which, if unpaid, may result in the imposition of a lien on the Mortgaged Property before such lien may attach (except that real estate taxes need not be paid prior to the due date thereof) or which may result in conferring upon a tenant of any part or all of the Mortgaged Property a right to recover such sums as prepaid rent.

## SECTION 6 - INSURANCE

6.1 Insurance Coverages. Borrower shall insure the Mortgaged Property and the operation thereof with such coverages and in such amounts as are required by the provisions of the Loan Agreement and shall at all times keep such insurance in full force and effect and pay all premiums therefor in advance. Borrower's payment obligations hereunder shall be satisfied so long as Borrower makes payments required by Section 5.1.5, above. Borrower hereby irrevocably appoints Lender its true and lawful attorney-in-fact, with full power of substitution, to assign any such policy in the event of foreclosure of this Mortgage.

6.2 Insurance Proceeds. Subject to the provisions of the Loan Agreement relating to the application of insurance proceeds, the proceeds of any hazard and rent loss insurance shall, at the discretion of Lender, be applied to the Obligations in such



order as Lender may determine; or, if the Lender shall require repair of that part of the Mortgaged Property damaged by such insured hazard, the Lender shall release to Borrower insurance proceeds paid to it upon such conditions as the Lender may prescribe and the Borrower shall apply all of such proceeds to the repair and restoration of the Mortgaged Property. In the event that the insurance proceeds are insufficient to cover the cost of repair to the Mortgaged Property, and the Lender determines that it is reasonable to do so, Borrower shall deposit with Lender an amount equal to the shortfall, which Lender shall release to Borrower with the insurance proceeds in accordance with the preceding sentence. The Borrower shall promptly notify the Lender upon the occurrence of any loss or claim, and except with respect to amounts less than \$2,500, at the Lender's option in each instance, the Lender, to the exclusion of the Borrower, shall have the right and authority to file any proofs of claim and negotiate any adjustment or settlement thereof. Each insurance company is hereby directed and authorized to remit all payments (including the return of unearned premiums) directly to the Lender and not to the Borrower, or the Borrower and Lender jointly. Any and all such payments received solely by the Borrower shall be delivered to the Lender within five (5) days of receipt. Notwithstanding anything in this Section 6 to the contrary, however, if the insurer denies liability to Borrower, Borrower shall not be relieved of any obligation under Section 5 of this Mortgage. However, if Lender applies insurance proceeds to the Obligations and does not release the same to the Borrower, the obligation of the Borrower to repair, restore or rebuild shall be limited to taking all actions reasonably required to make the Mortgaged Property safe and in compliance with all legal requirements and to restore the undamaged portion to an economically functional unit to the extent that it is reasonably possible to do so.

#### SECTION 7 - CONDEMNATION

7.1 All Awards shall be paid to Lender. Such Awards shall, at the discretion of Lender, be applied to or toward the indebtedness secured hereby in such order as Lender may determine, or in the case of a partial taking, at Lender's discretion, may be so applied or released to Borrower upon such conditions as Lender may prescribe to be applied to restoration of that part of the Mortgaged Property which remains, but not more than such portion of such Awards as may be required to restore or repair such damage or injury shall be so released; and any balance remaining shall be applied by Lender to or toward the Obligations in such order as Lender may determine. If Lender applies such Awards to the Obligations and does not release the same to the Borrower, the obligation of Borrower to repair, restore or rebuild shall be limited to taking all actions reasonably required to make the Mortgaged Property, or what remains thereof, safe and in compliance with legal requirements and to restore the remaining portion to an economically functional unit to the extent that it is reasonably possible to do so.

#### SECTION 8 - EVENTS OF DEFAULT

The occurrence of any one or more of the following events shall be an "Event of Default" hereunder:

8.1 The Borrower fails to pay the principal of, or fees or interest on, the Note or any other indebtedness of the Borrower after the same shall become due and payable and such failure continues beyond any applicable grace period.

8.2 The Mortgaged Property or any portion thereof or interest therein is sold, conveyed, refinanced, assigned, leased (other than as permitted herein), further encumbered or otherwise transferred, without the prior written consent of the Lender.

8.3 The Mortgaged Property is materially injured or destroyed by fire or otherwise, and Borrower fails to promptly repair, restore, rebuild, or replace same in accordance with this Mortgage if required by Lender.

8.4 Any representation or warranty made by, on behalf of, or concerning the Borrower or the Guarantor herein or in any report, certificate, financial statement or other instrument furnished in connection with the Loan Documents or the loan shall prove to be false in any material respect.

8.5 The Borrower assigns this Mortgage, the Loan Agreement, any money advanced thereunder, including any future advances, any other Loan Document or any interest therein, without obtaining Lender's prior written consent.

8.6 The Borrower fails to deposit any funds required by Section 8, Section 9 or Section 10 of the Loan Agreement or by any other Loan Document, within ten (10) calendar days after the deposit is due.

8.7 The Borrower defaults in the due observance or performance of any other covenant, condition or agreement on the part of the Borrower to be observed or performed pursuant to the terms of this Mortgage, the Loan Agreement or any other Loan Document, all of which are incorporated as if set forth at length and such default continues for thirty (30) days after the earlier of (i) the Borrower's discovery thereof; or (ii) written notice thereof from the Lender to the Borrower.

8.8 The Borrower or the Guarantor shall (i) apply for or consent to the appointment of a receiver, trustee or liquidator of the Borrower or the Guarantor or any of the Borrower's or the Guarantor's property, (ii) admit in writing the

Borrower's or the Guarantor's inability to pay the Borrower's or the Guarantor's debts as they mature, (iii) make a general assignment for the benefit of creditors, or (iv) be adjudicated a bankrupt or insolvent (however such insolvency may be evidenced).

8.9 Any proceeding involving the Borrower or the Guarantor is commenced by or against the same under any bankruptcy or reorganization arrangement, probate, insolvency, readjustment of debt, dissolution or liquidation law of the United States, or any state, and the Borrower or the Guarantor approves, consents to, or acquiesces in such proceedings, or such proceedings are not dismissed within thirty (30) days.

8.10 An order, judgment or decree is entered, without the application, approval or consent of the Borrower or the Guarantor, by any court of competent jurisdiction, approving a petition seeking reorganization or approving the appointment of a receiver, trustee or liquidator of the Borrower or the Guarantor or all or a substantial part of the assets of the Borrower or the Guarantor, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) days.

8.11 Any change occurs in the legal form of, or the beneficial interest in, the Borrower, including the termination or dissolution of the Borrower. The Guarantor sells, transfers or assigns its interest in the Borrower without the Lender's prior written consent.]

8.12 Any judgment, warrant, writ of attachment, or any similar process (in an amount exceeding \$50,000, or, if more than one action, when added together all such actions exceed \$50,000) is extended or filed against the Borrower or the Guarantor or against property or assets of the same, and is not vacated, bonded or stayed within thirty (30) days.

8.13 The Guarantor fails to maintain a minimum adjusted net worth of \$526,000.00, and/or fails to maintain no less than \$40,000.00 of such minimum adjusted net worth in cash or cash equivalents or other liquid investments as the Lender may approve from time to time.

8.14 The death or mental incapacity of either Guarantor.

8.15 The Borrower defaults, in the due observance or performance of any covenant, condition or agreement to be observed or performed pursuant to any documents executed in connection with a Subordinate Loan or any other financial assistance provided to the Project, all of which are hereby incorporated as if set forth at length, and such default continues beyond any applicable grace period.

8.16 The Borrower or any entity which is owned or controlled by the Borrower or which owns or controls the Borrower or which is under common ownership or control with the Borrower, or any other entity in which the Borrower has a legal or equitable interest, defaults in the performance of any payment obligation pursuant to any documents executed in connection with any other loan from the Lender, whether now existing or hereafter arising, and such default continues beyond any applicable grace period.

8.17 The Project Sponsor or any entity which is owned or controlled by the Project Sponsor or which owns or controls the Project Sponsor or which is under common ownership or control with the Project Sponsor, or any other entity in which the Project Sponsor or any member of the Project Sponsor's immediate family has a legal or equitable interest, defaults in the performance of any payment obligation pursuant to any documents executed in connection with any other loan from the Lender, whether now existing or hereafter arising, and such default continues beyond any applicable grace period.

## SECTION 9 - LENDER'S RIGHTS

9.1. Acceleration of Debt. Upon an Event of Default or if an event occurs which pursuant to the Note, the Loan Agreement, or the Mortgage and Security Agreement entitles Lender to accelerate the loan, then, at the option of Lender, the Obligations hereby secured shall become immediately due and payable in accordance with the terms of the Loan Agreement.

9.1.1 Enter and Perform. Borrower authorizes Lender, in addition to all other rights granted by law or by this Mortgage, or by any of the other Loan Documents, whenever and as long as any Event of Default shall exist and remain uncured beyond the applicable grace period, if any, and without notice beyond the notice, if any, required to be given by the terms of the Note or the Loan Agreement, to enter and take possession of all or any part of the Mortgaged Property and to use, operate, manage and control the same and conduct the business thereof, and perform lessor's obligations under any lease or Borrower's obligations under any other agreement affecting all or any part of the Mortgaged Property, and collect the rents, profits and all receipts of every nature therefrom as Lender shall deem best.

9.1.2 Repairs and Improvements. Upon every such entry, Lender may from time to time at the expense of Borrower make all such repairs, replacements, alterations, additions and improvements to the Mortgaged Property as Lender may deem proper, but in no event shall Lender be obligated to do so, and may, but shall not be obligated to, exercise all rights and powers of Borrower, either in the name of Borrower, or otherwise as Lender shall determine. Without limitation express or implied upon the generality of the foregoing, Lender shall have the right to do all the things necessary or desirable in order to keep in full force and effect all applicable licenses, permits and authorizations and any amendments thereto.

9.1.3 Pay Costs and Expenses. Upon such entry, Lender may, at its option, but without any obligation to do so, do any one or more of the following: pay and incur all expenses necessary or deemed by it appropriate for the holding and operating of the Mortgaged Property, the conduct of any business thereon, the maintenance, repair, replacement, alteration, addition and improvement of the Mortgaged Property, including without limitation payments of taxes, assessments, insurance, wages of employees connected with the Mortgaged Property or any business conducted thereon, charges and reasonable compensation for services of Lender, including all reasonable attorneys' fees and costs (including the time of any in-house counsel for Lender charged at the same rate as comparable outside attorneys), accountants and all other persons engaged or employed in connection with the Mortgaged Property or of any business conducted thereon, and, in addition, Lender, at its option, may, but shall not be obligated to, make payments or incur liability with respect to obligations arising prior to the date it takes possession.

9.1.4 Add to Secured Indebtedness. All obligations paid or incurred by Lender pursuant to Section 9, including, without limitation, costs and expenses incurred in connection with the enforcement of Lender's rights under the Loan Documents whether incurred prior or subsequent to any judgment which may be obtained by Lender against the Borrower or any guarantor, shall be reimbursed or paid for by Borrower upon demand and prior to the repayment thereof shall be added to the debt secured hereby and shall bear Default Interest as provided for in the Note or the Loan Agreement, and shall be secured hereby equally and ratably. Without limiting the generality of the foregoing, obligations paid or incurred shall include (i) all reasonable attorneys' fees and costs (including the time of any in-house counsel for Lender charged at the same rate as comparable outside attorneys), (ii) appraisal fees, (iii) tax service fees, (iv) property inspection costs, and (v) environmental site assessment, consultant fees, remediation expenses, and related costs. Lender may also reimburse itself therefor from the income or receipts of the Mortgaged Property or any business conducted thereon, or from the sale of all or any portion of the Mortgaged Property. Upon the occurrence of an Event of Default, Lender may also apply toward any of the Obligations any deposit or any sum credited or due from Lender to Borrower without first enforcing any other rights of Lender against Borrower or the against any endorser or guarantor of any of the Obligations or against the Mortgaged Property.

9.2 Additional Rights of Lender. If Borrower shall neglect or refuse: (a) to maintain and keep in good repair the Mortgaged Property or any part thereof as required by this Mortgage or the Loan Agreement, or (b) to maintain and pay the premiums for insurance which may be required by this Mortgage or the Loan Agreement, or (c) to pay and discharge all taxes of whatsoever nature, assessments and charges of every nature and to whomever assessed, as required by this Mortgage or the Loan Agreement, or (d) to pay the sums required to be paid by this Mortgage or the Loan Agreement, or (e) to satisfy any other terms or conditions of this Mortgage, or any instrument secured hereby, Lender may, at its election in each instance, but without any obligation whatsoever to do so, upon thirty (30) days prior written notice (except in the case of (i) an emergency where there is danger to person or property, or (ii) required insurance coverage would lapse, or (iii) an Event of Default exists, in each of which events no notice shall be required), cause such repairs or replacements to be made, obtain such insurance or pay said taxes, assessments, charges, and sums, incur and pay reasonable amounts in protecting its rights hereunder and the security hereby granted, pay any balance due under any conditional agreement of sale (or lease) of any property included as part of the Mortgaged Property, and pay any amounts as Lender deems reasonably necessary or appropriate to satisfy any term or condition of this Mortgage, which Borrower shall have failed to satisfy, or to remedy any breach of such term or condition, and any amounts or expenses so paid or incurred, together with interest thereon from the date of payment by Lender at the rate of Default Interest as provided in the Note, shall be immediately due and payable by Borrower to Lender and until paid shall be secured hereby equally and ratably, and the same may be collected as part of said principal debt in any suit hereon or upon the Note. No payment by Lender shall relieve Borrower from any default hereunder or impair any right or remedy of Lender consequent thereon.

9.3 Attorney-In-Fact. At any time, and from time to time, upon request of the Lender, Borrower will make, execute and deliver, or will cause to be made, executed and delivered, to the Lender, or the Lender's designee, and when requested by the Lender, cause to be filed, recorded, refiled or rerecorded, as the case may be, at such times and in such offices and places as the Lender may deem appropriate, any and all such mortgages, security agreements, financing statements, continuation statements, instruments of further assurance, certificates and other documents as may, in the sole opinion of the Lender, be necessary or desirable in order to effectuate, complete, perfect, continue or preserve (a) the obligations of the Borrower under the Note, this Mortgage, the Loan Agreement and the other Loan Documents, and (b) the liens and security interests created by this Mortgage as first and prior liens on the Mortgaged Property, whether now owned or hereafter acquired by the Borrower. Unless prohibited by law or agreed to the contrary by the Lender in writing, the Borrower shall reimburse the Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph. If the Borrower fails to do any of the things referred to in this



paragraph, the Lender may do so for and in the name of the Borrower and at the Borrower's expense. For such purposes, the Borrower hereby irrevocably appoints the Lender as the Borrower's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in the Lender's sole opinion, to accomplish the matters referred to in this paragraph.

9.4 Access to Mortgaged Property. Lender shall have the right to enter and inspect the Mortgaged Property at all reasonable times upon reasonable notice (oral or written) to Borrower.

9.5 Lender Not Obligated; Cumulative Rights. Nothing in this Mortgage shall be construed as obligating Lender to take any action or incur any liability with respect to the Mortgaged Property or any business conducted thereon, and all options given to Lender are for its benefit and shall and may be exercised in such order and in such combination as Lender in its sole discretion may from time to time decide.

9.6 Receiver May be Appointed. Upon the occurrence and during the continuance of an Event of Default, Lender may have a receiver appointed to enter and take possession of the Mortgaged Property, collect the rents, issues and profits therefrom, and apply the same as the court may direct, and Lender shall be entitled to the appointment of such a receiver as a matter of right, without consideration of the value of the Mortgaged Property as security for the amounts due hereunder, or the availability of other collateral, or the solvency of any person or other entity liable for the payment of such amounts. Such receiver may also take possession of, and for these purposes use, any and all Equipment and other personal property of Borrower contained in or on the Mortgaged Property. The expense (including reasonable receiver's fees, counsel fees, costs and agents' compensation, including the time of any in-house counsel for Lender charged at the same rate as comparable outside attorneys), incurred pursuant to the powers herein contained shall be secured hereby. The right to enter and take possession of the Mortgaged Property, to manage and operate the same, and to collect the rents, issues and profits thereof, whether by a receiver or otherwise, shall be cumulative with any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. Lender or any such receiver shall be liable to account only for such rents, issues and profits actually received by it, less Lender's or such receiver's costs and expenses, as aforesaid, and neither Lender nor such receiver shall be under any obligation to collect any such rents, issues and profits, nor will Lender or such receiver be liable to any Mortgagor for any other act or omission upon such entry and taking possession of the Mortgaged Property.

9.7 Property Manager May be Replaced. Upon the occurrence and during the continuance of an Event of Default, Lender may upon written notice to the Borrower and the then acting management agent for the Mortgaged Property, immediately terminate the services of said management agent and appoint in place thereof a management agent or other party selected by Lender. The foregoing right of Lender to terminate and replace the management agent for the Mortgaged Property may be exercised by Lender as a matter of right, without consideration of the value of the Mortgaged Property as security for the amounts due hereunder, or the availability of other collateral, or the solvency of any person or other entity liable for the payment of such amounts, and such right of Lender shall be cumulative with any other right or remedy hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expense (including reasonable counsel fees, costs and agents' compensation, including the time of any in-house counsel for Lender charged at the same rate as comparable outside attorneys), incurred in exercising the rights described in this Section 9.7 shall be borne by Borrower and shall be secured hereby.

## SECTION 10 - STATUTORY CONDITION AND POWER OF SALE

10.1 This Mortgage is upon the STATUTORY CONDITION and upon the further condition that all covenants and agreements of, and conditions imposed upon, Borrower contained herein and in the Note, the Loan Agreement, and the other instruments and agreements evidencing or securing the obligations secured hereby shall be kept and fully performed, for any breach of which (remaining uncured beyond the grace period, if any, provided herein or therein, or in the Loan Agreement) Lender shall have the STATUTORY POWER OF SALE, and upon the further condition that upon default (remaining uncured as aforesaid) Lender shall have as to the Personal Property all the rights and remedies of a Secured Party under the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts including, but not limited to, the option to proceed as to both the Real Estate and Personal Property under the law relating to foreclosure of real estate mortgages, and such further remedies as from time to time may hereafter be provided in Massachusetts for a secured party, and upon the further condition that all rights of Lender under this Mortgage and the other Loan Documents as to the Personal Property and the Real Estate may be exercised together or separately and, at Lender's discretion, in connection with the exercise by Lender of its rights under any one or more of the Loan Documents. To the fullest extent not prohibited by applicable law: (a) in case of a foreclosure sale the Lender shall be entitled to retain the costs, charges and expenses allowed under the STATUTORY POWER OF SALE or under this Mortgage and (b) in case redemption is had by Borrower after foreclosure proceedings have been begun, Lender shall be entitled to collect all costs, charges and expenses, including reasonable attorneys' fees, including the time of any in-house counsel for Lender charged at the same rate as comparable outside attorneys incurred through the time of redemption.

10.2 In exercising its power of sale under this instrument, Lender may sell the Personal Property, or any part thereof, either separately from or together with the Real Estate and the balance of the Mortgaged Property, or any part thereof, either as one parcel or unit or in such separate parcels or units, all as Lender may in its discretion elect; and may so sell the Mortgaged Property, or the Real Estate, as one parcel or unit or in such separate parcels or units, all as Lender may in its discretion elect; and may so sell the Mortgaged Property or any part thereof either separately from or together with the whole or any part of other collateral which may constitute security for any obligation secured by the Mortgaged Property, also as Lender may in its discretion elect. In the event of any separate sale of Personal Property, Lender will give to Borrower reasonable notice of the time and place of any public sale or of the time after which any private sale or other intended disposition thereof is to be made, and such requirement of reasonable notice shall be met if such notice is mailed postage prepaid to the address of Borrower as provided in this Mortgage at least ten (10) days before the time of the sale or other disposition.

#### SECTION 11 - TRANSFERS

11.1 Borrower shall not sell, convey, refinance, assign, lease (other than as permitted under the Loan Agreement), further encumber or otherwise transfer the Mortgaged Property, or any part thereof, without the Lender's prior written consent.

11.2 Borrower shall not assign, convey, sell or otherwise transfer, any beneficial interest in Borrower, nor permit such assignment, conveyance, sale or transfer, without the Lender's prior written consent.

#### SECTION 12 - MISCELLANEOUS

12.1 Terms. The term Borrower shall include, wherever the context permits, its successors and assigns. The term Lender shall include, wherever the context permits, its successors and assigns as the holder for the time being of this Mortgage and Security Agreement and the Note and other Obligations hereby secured.

12.2 Headings. Headings and captions in this Mortgage are for convenience and reference only and the words and phrases contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of any of the provisions hereof.

12.3 Time of Essence. Time shall be of the essence of each and every provision of the Loan Agreement, the Note, this Mortgage and each of the other Loan Documents.

12.4 Inspections. Lender may make or cause to be made reasonable entries upon and inspections of the Mortgaged Property as may be necessary to protect or preserve the Mortgaged Property and to ensure compliance with this Mortgage.

12.5 Notices. Any demand, notice or request by either party to the other shall be given in the manner provided therefor in the Loan Agreement.

12.6 Severability. In case any one or more of the provisions of this Mortgage and Security Agreement, the Note, the Assignment of Leases, Rents and Contracts, the Loan Agreement, any of the other Loan Documents, or any other agreement now or hereafter executed in connection with any one or more of the foregoing are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof. Each of the provisions of every such agreement, document or instrument shall be enforceable by Lender to the fullest extent now or hereafter not prohibited by applicable law.

12.7 No Waiver. No consent or waiver, express or implied, by Lender to or of any default by Borrower shall be construed as a consent or waiver to or of any other default at the same time or upon any future occasion.

12.8 Entire Agreement. This Mortgage and the other Loan Documents represent the entire agreement between the Borrower and the Lender with respect to the matters contained herein and in the other Loan Documents, and there are no other agreements express or implied other than those set forth herein and in the other Loan Documents.



IN WITNESS WHEREOF, the Borrower has caused this Mortgage to be duly executed and delivered at Boston, Massachusetts as a sealed instrument as of the date first written above.

BORROWER:  
PATRIOT PLACE, LLC

By: *Bruce Blake*  
Bruce Blake, Member  
Hereunto Duly Authorized

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

On this 17<sup>th</sup> day of February, 2006, before me the undersigned notary public, personally appeared the above-named Bruce Blake, Member of Patriot Place, LLC (the Borrower described above), proved to me by satisfactory evidence of identification, consisting of: [circle one] (a driver's license) (a passport) (my personal knowledge) (other: \_\_\_\_\_), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

*Pamela J. Brown*  
Notary Public  
My commission expires:  
SEAL

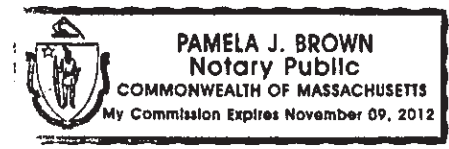


EXHIBIT A

Legal Description

The land and structures in the Town of Bedford, Middlesex County, Massachusetts located at 18 Springs Road more specifically bounded and described as follows:

- NORTHERLY                    by land n/f of Peter C. Grey (also known as Lot 41) One Hundred fifty-six and 05/100 feet (156.05');
- WESTERLY                    by land n/f of Francis L. and Helen A. Ahern (also known as Lot 33) and Robert W. and Julia F. Brand (also known as Lot 34) One Hundred Sixty and 55/100 feet (160.55');
- SOUTHERLY                   by land n/f B&D Realty Trust (also known as Lot 38) One Hundred fifty-seven and 44/100 feet (155.44');
- EASTERLY                    by Springs Road, a public way, One Hundred fifty-eight and 13/100 feet (158.13')

Said lot being the same land as shown as Lot C on a plan entitled "Plan of Land Bedford Mass, 14 Springs Road" prepared by Commonwealth Engineering, Inc. dated June 13, 1997, endorsed by the Bedford Planning Board on October 6, 1997 and recorded in Middlesex County South District Registry of Deeds as Plan No. 1081 of 1997 Recorded in Book 27752 Page 515.

*for title see deed bk 44147  
Pg 251*

EXHIBIT B

Permitted Encumbrances

Those items appearing on Schedule B to the policy of title insurance issued to Lender in connection with the Loan by Commonwealth Land Title Insurance Company.

REGISTRY OF DEEDS  
SOUTHERN DISTRICT  
ATTEST:

*Eugene C. Brune*

REGISTER