

## MORTGAGE NOTE

\$ \_\_\_\_\_ .00

20\_\_

, Connecticut

FOR VALUE RECEIVED, the undersigned \_\_\_\_\_, having a mailing address of \_\_\_\_\_, acting herein by \_\_\_\_\_, (hereinafter referred to as the “**Borrower**”) promises to pay to the order of \_\_\_\_\_, of \_\_\_\_\_ (the “**Lender**”), or at such other place as the holder hereof shall designate, in writing, the principal sum of Two Hundred Fifty Thousand and 00/100 (\$250,000.00) Dollars (the “**Loan**”), together with interest on the unpaid principal balance thereof, before and after maturity, by acceleration or otherwise, at the rate hereinafter provided, together with all costs of collecting this Note after default, including reasonable attorney’s fees, if this Note is referred to an attorney for collection.

1. **Interest Rate and Payments.** Each payment shall be applied first to accrued and unpaid interest, then to the principal due hereunder, and last to any late charges due under this Note.

A. **Interest Rate.** Interest on the outstanding principal balance shall be payable in arrears at the rate of Eight (8%) per cent per annum.

B. **Loan Payment.** The Borrower promises to pay the principal and interest, in arrears, in monthly installments and on the first day of each and every successive month thereafter until fully paid. The monthly payment of principal and interest shall be Three Thousand Thirty Three and 20/100 (\$3,033.20) Dollars. If not sooner paid all outstanding unpaid principal, accrued interest and other amounts due under this Note shall be fully due and payable on \_\_\_\_\_ 2020 (the “**Maturity Date**”).

C. **Late Charge.** If any payment due under this Note is not paid in full within ten (10) days of when due, Borrower shall pay to Lender a late charge equal to five (5%) per cent of such payment. Such late charge shall be due and payable immediately without notice or demand.

D. **Interest After Default or Maturity.** All amounts of unpaid principal and interest shall bear additional interest after the Maturity Date or due date thereof or after default at the rate of four (4%) per cent above the interest rate of this Note otherwise in effect until paid.

E. **Prepayments and Prepayment Penalty.** The principal may be pre-paid in whole or in part without penalty.

2. Events of Default. The remaining principal balance of this Note, together with accrued interest, all fees or charges due and all interest thereon and all costs, expenses and reasonable attorney's fees incurred by the Lender in collecting funds due under this Note shall, at the option of Lender, accelerate and be immediately due and payable without demand or notice of any kind upon the occurrence of any of the following Events of Default (provided such Event of Default is not cured within any applicable grace period).

(i) Default in the payment of any installment of interest or principal due under this Note; or

(ii) Failure of borrower to perform any covenant contained in any mortgage or any other instrument or documents governing or securing the payment of this Note; or

(iii) Filing of an involuntary petition against Borrower or any guarantor hereof under the federal Bankruptcy Code or laws amendatory thereof or supplemental thereto or under any statute either of the United States or any state thereof in connection with insolvency or reorganization or for the appointment of a receiver or trustee of all or a portion of Borrower's property and any such petition, receiver or trustee is not withdrawn, dismissed, discharged, or removed, as the case may be, within sixty (60) days after such petition; or

(iv) Filing of a voluntary petition by Borrower or the guarantor hereof under the Federal Bankruptcy Code or laws amendatory thereof or supplemental thereto or under any statute either of the United States or any state thereof in connection with insolvency or reorganization or for the appointment of a receiver or trustee of all or a portion of Borrower's property; or

(v) An assignment of any property is made by Borrower for the benefit of creditors; or

(vi) Borrower abandons any property mortgaged to secure this Note or the Borrower or any guarantor hereof declares in writing its or their inability to pay debts as they come due; or

(vii) The Borrower's failure to remove any non-voluntary lien, attachment or encumbrance on the Property within thirty (30) days after notice of such lien attachment or encumbrance; or

(viii) Any improvement on property mortgaged to secure this Note is substantially damaged in any manner and is not covered with insurance deemed adequate by Lender; or

(ix) The imposition of a tax, levy, or assessment by the United State of America, the State of Connecticut, or any agency or subdivision of either, on or concerning this Note, the mortgage securing the same, or on the debt thereby

evidenced or secured which Borrower cannot lawfully or shall not pay when due;  
or

(x) Borrower places any further financing of any nature whatsoever on the property mortgaged to secure this Note (the "Property") or any part or portion thereof without the prior written consent of Lender which consent shall not be unreasonably withheld.

Failure by Lender to exercise his option to accelerate shall not constitute a waiver of any right accruing thereafter.

3. Waivers.

A. General Waivers. Borrower and the Borrower's heirs, legal representatives, successors and assigns, expressly waive presentment, demand, protest, notice of dishonor, notice of non-payment, notice of maturity, notice of protest, presentment for the purpose of accelerating maturity, diligence in collection, and the benefit of any exemption under the homestead exemption laws, if any, or any other exemption or insolvency laws, and consents that Lender may release or surrender, exchange or substitute any real estate and/or personal property or other collateral security for payment or otherwise modify the terms of payment of any part or the whole of the debt evidenced by this Note.

B. Commercial Transaction Waivers. BORROWER AND EACH AND ALL ENDORSERS AND GUARANTORS OF THIS NOTE ACKNOWLEDGE THAT THE LOAN EVIDENCED BY THIS NOTE IS A COMMERCIAL TRANSACTION AND WAIVE THE RIGHT TO NOTICE AND HEARING UNDER CHAPTER 903a OF THE CONNECTICUT GENERAL STATUTES, OR AS OTHERWISE ALLOWED BY ANY STATE OR FEDERAL LAW WITH RESPECT TO ANY PREJUDGMENT REMEDY WHICH LENDER MAY DESIRE TO USE. BORROWER AND EACH AND ALL ENDORSERS AND GUARANTORS OF THIS NOTE WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND OR NATURE IN ANY COURT IN WHICH AN ACTION MAY BE COMMENCED ARISING OUT OF ANY CAUSE OR DISPUTE WHATSOEVER BETWEEN BORROWER AND LENDER OF ANY KIND OR NATURE IN CONNECTION WITH THIS LOAN.

4. Governing Law. This Note shall be governed and construed in accordance with the laws of the State of Connecticut.

This Mortgage Note has been issued pursuant to and is secured by a Mortgage Deed (the "**Mortgage**") from Borrower to Lender on property known as 492 Main Street, Westport, Connecticut. All of the terms, covenants and conditions of the Mortgage (including all exhibits thereto) and all other instruments evidencing and/or securing the indebtedness hereunder are hereby made part of this Note and are deemed

incorporated herein in full. Any Event of Default which continues beyond any applicable grace period in any of the conditions, covenants, obligations or agreements contained in this Note or any other instruments securing and/or evidencing the indebtedness, including the Mortgage, shall constitute an Event of Default under this Note and shall entitled Lender to accelerate the maturity of the entire indebtedness hereunder and take such other action as may be provided for in this Note and the Mortgage.

IN WITNESS WHEREOF, Borrower has signed this Note on the  
day of \_\_\_\_\_, 2010.

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