



Biddeford Savings

A whole new equation

June 30, 2010

Mr. Marc M. Poulin
Poulin Property Holdings, LLC
276 Canco Road, Granite Heights
Portland, ME 04103

Dear Marc:

Biddeford Savings Bank is pleased to extend up to a \$ [REDACTED] construction/permanent commercial mortgage to Poulin Property Holdings, LLC. This letter, when properly signed and accepted, will constitute an agreement between Biddeford Savings Bank of Biddeford, Maine (hereinafter referred to as the "Bank"), which agrees to lend, and Poulin Property Holdings, LLC of Portland, ME (hereinafter referred to as the "Borrower") which agrees to borrow, in accordance with the following terms and conditions, in addition to those as outlined in the loan documents.

BORROWER: Poulin Property Holdings, LLC

AMOUNT: Up to a \$ [REDACTED] construction mortgage ("Project"). Upon completion of the Project, the balance will be converted to a \$ [REDACTED] permanent mortgage with the Bank and a \$ [REDACTED] mortgage with the United States Small Business Administration ("SBA").

SBA: This loan is contingent upon approval from the SBA under their 504 loan program.

GUARANTORS: The unlimited personal guaranty of Marc M. Poulin and the unlimited corporate guaranty of Poulin Financial Services LLC, PA will be required.

PURPOSE: To provide financing (hereinafter referred to as the "Project") to purchase and renovate property located at 171 Warren Avenue, Portland, ME.

INTEREST RATE:

BANK: The interest rate will be at the highest prime rate then prevailing as published in the *Wall Street Journal* (currently 3.25%), plus 1.00%, adjusted annually and based on actual days outstanding over a 360 day year. After a six month construction period, the Borrower will have the option of:

1. A one (1) year adjustable rate at the prime rate as published in the Wall Street Journal (currently 3.25%) plus 1%.
2. A three (3) year fixed rate, then adjusted to the prime rate as published in the Wall Street Journal plus 1%. An indicative three year fixed rate as of 7/1/10 is 6.00%.
3. A five (5) year fixed rate, then adjusted to the prime rate as published in the Wall Street Journal plus 1%. An indicative five year fixed rate as of 7/1/10 is 6.25%.

SBA: The interest rate on the SBA loan will be fixed for twenty (20) years. The rate of interest is determined by the SBA.

PREPAYMENT PREMIUM: A prepayment penalty of the amount prepaid will be paid to the Bank if this loan, or any portion thereof, is refinanced with another financial institution within five (5) years of inception. (5% if paid in year one, 4% in year two, 3% year three, 2% year four, and 1% year five). The Borrower will be subject to standard prepayment penalties as determined by the SBA.

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LATE CHARGE: The Borrower shall pay a late charge of five percent (5%) of any payment due under the loan which is not received by the Bank within 10 days of the due date.

DEFAULT RATE: The Bank shall have the right to charge interest, payable on demand, on the unpaid balance of the loan at an interest rate equal to the promissory note rate plus three percent (3%) per annum during the continuation of any period in which the Borrower is in default in any of its obligations to the Bank under or in connection with the loan.

TERMS: Interest only shall be due over an initial six (6) month construction period. The commercial mortgage will then be repaid in two hundred forty (240) consecutive monthly payments of principal and interest. The SBA loan will be repaid in two hundred forty (240) consecutive monthly payments of principal and interest.

COLLATERAL: The Bank shall have a first mortgage on the building and improvements located at 171 Warren Ave., Portland, Maine. The Bank shall have a collateral assignment of leases and rents for the mortgaged property. The Borrower agrees that all contracts, including the construction contract, architectural contract, or any other contract entered into for the completion of this Project shall be assigned to the Bank. The SBA will be granted a second mortgage on the Project. The maximum loan to collateral value ratio shall not exceed 90% for the combined loans.

COMMITMENT FEE: At closing, the Borrower will pay to the Bank a non-refundable commitment fee of \$1,500. The Borrower shall be responsible for any fees to close the SBA loan, which are determined and set by the SBA. They are approximately 3% of the loan amount.

DEPOSIT ACCOUNTS: As consideration for this loan, Poulin Property Holdings, LLC is to maintain its primary depository relationship with the Bank during the term of this financing. Should these deposit accounts be transferred from Biddeford Savings Bank, the Bank will have the right to reevaluate the interest rate and fees charged on the subject loan.

RIGHT OF SET OFF: The Borrower agrees that all cash or other property in possession of the Bank (including compensating balances or any deposits) will be collateral for the entire loan without further agreement unless otherwise specifically agreed to in writing.

FINANCIAL STATEMENTS: During the term of the proposed financing, the Borrower shall submit the following financial information: a) Annual federal income tax returns on the Borrower and all Guarantors within 120 days of year end. b) Personal Guarantor shall submit an updated personal financial statement annually within 120 days of year end. c) Other financial information the Bank may reasonably require from time to time.

APPRAISAL REQUIREMENT: Prior to closing, the Bank shall have received an "as is" and "as completed" real estate appraisal on the building and improvements located at 171 Warren Ave., Portland, Maine. The ratio of the outstanding principal balance on the Bank's commercial mortgage shall not exceed 50% of the "as completed" appraised value at any time. In addition to the Bank, the SBA is an intended user of the appraisal, which shall be satisfactory to the Bank and the SBA in all respects. The appraisal will be prepared at the Borrower's expense by an appraiser designated and retained by the Bank.

ENVIRONMENTAL MATTERS: Prior to closing, the Bank will require completion of the Bank's environmental questionnaire on the commercial property securing the mortgage. The Bank and the SBA shall require a record search and risk assessment of the property which shall be prepared at the Borrower's expense. After review of these reports, if further due diligence is required, the Bank and the SBA will order additional environmental reports, the cost of which shall be borne by the Borrower. The reports must be satisfactory to the Bank and the SBA in all respects. The loan documents will contain appropriate provisions, representations, warranties, covenants, conditions and indemnification by the Borrower relating to environmental matters.

CONSTRUCTION REQUIREMENTS: a) The proceeds of the loan which are used for construction shall be advanced under a construction loan agreement to finance such construction in accordance with the contract, plans and specifications approved by the Borrower and the Bank. For each advance, the Borrower shall submit an executed draw request form, along with invoices to be paid, and lien waivers from the prior advance. In addition, the Borrower and the General Contractor will be required to enter into a Construction Loan Agreement with the Bank. b) The Bank shall be entitled to retain a Construction Manager to be selected by the Bank in its discretion to perform all such services in connection with the construction of the Project that the Bank deems appropriate and the Borrower shall pay all costs and fees of the Construction Manager. The Construction Manager shall be responsible only to the Bank, not to the Borrower or any other party. Construction advances shall be made not more than once per month and the Bank shall require ten (10) days notice prior to disbursements, after receipt of a complete package and verification that the work covered thereby was completed on a satisfactory basis and in accordance with the approved plans and specifications. c) The Borrower agrees that any cost overruns will be borne by the Borrower. d) Invoices related to the proposed construction will be subject to retainage equal to 5% of the invoiced amount. e) The Borrower shall submit for the Bank's review and approval (i) a detailed budget, together with copies of contracts with the General Contractor and (ii) a complete set of the final and complete architectural, engineering, and mechanical plans and specifications for the construction of the Project. f) The Bank reserves the right to approve the selection of the General Contractor. g) Evidence satisfactory to the Bank that all permits, licenses and approvals required for the construction and use of the Project under all applicable laws, ordinances, codes, rules and regulations, and under the terms of any restriction, easement, or covenant affecting the Project have been obtained. h) The Borrower agrees to allow the Bank to place a sign on the Borrower's premises advertising that the Bank is providing construction financing for the Project.

AUTHORITY TO ACT: The Borrower shall provide all evidence of its organization, existence, legal good standing, and authority to enter into said transactions as may be required by the Bank and its counsel.

INSURANCE MATTERS: The Borrower shall provide fire and other casualty insurance coverages for the full replacement value of buildings, improvements, machinery, equipment and other tangible property included with the security. Other insurance coverage may be required by the Bank which shall include flood insurance, title insurance, comprehensive general liability insurance, workers compensation and builders risk insurance. The Bank shall be named as loss payee and mortgagee on these policies.

LEGAL AND COSTS: The Borrower shall be responsible for bearing the cost of all legal work to document this transaction. All instruments executed and delivered in connection with the closing of this loan shall be in form and substance satisfactory to the Bank's counsel. All other matters relating to the law shall be made to meet the satisfaction of such counsel. All costs incurred by the Bank to document this transaction will be borne by the Borrower, regardless of whether the loan is actually closed or the financing consummated.

WRITTEN MODIFICATION: The Borrower may not maintain any action against the Bank on any agreement to lend money, extend credit, forbear from collection of a debt or make any other accommodation for repayment of a debt for more than \$250,000 unless the promise, contract or agreement is in writing and signed by a duly authorized representative of the Bank.

COMPLIANCE WITH LAW: The transaction committed herein is subject to satisfactory compliance with all applicable federal, state and local laws including without limitation ordinances pertaining to land use and environment.

NONASSIGNABILITY OF COMMITMENT: This commitment is expressly offered only to the Borrower and only for the purposes described herein. This commitment may not be assigned without the written permission of Biddeford Savings Bank.

Poulin Property Holdings, LLC
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EXPIRATION DATE: The Bank shall be under no obligation hereunder unless acceptance of the terms hereof is delivered to it within ten (10) days from the date of this letter. If accepted, this loan is to be closed on or before September 1, 2010.

The parties hereto agree that this commitment shall survive any loan closing under this commitment and that each of the obligations and undertakings of the Borrower hereunder shall be continuing and shall not cease until the entire loan, together with interest and fees, is paid in full.

This commitment may be terminated by the Bank at any time upon discovery, by the Bank, of a material adverse change in or any misrepresentations or erroneous statements about the Borrower's position with respect to solvency, credit worthiness, government regulation, or any other substantial factor. In the event of such termination, the Bank is entitled to collect and retain all commitment fees herein required of the Borrower. Such termination shall become effective upon the mailing of a notice of termination by the Bank by certified first-class mail to the Borrower at the address shown on this commitment.

If you are in agreement, please acknowledge your acceptance of this commitment by signing and returning the original of this letter. You may retain a signed copy for your records. Thank you for considering Biddeford Savings Bank for your financing needs.

Sincerely,



Cynthia E. Convery
Vice President & Commercial Lender

ACCEPTED AND ACKNOWLEDGED:

Poulin Property Holdings LLC

By: Marc M. Poulin
Its: sole member Date 7/2/10

Guarantors:

Poulin Financial Services, LLC PA

By: Marc M. Poulin 7/2/10
Its: sole member Date

Marc M. Poulin 7/2/10
Date
Marc M. Poulin
As Guarantor