

## CONSTRUCTION INVESTMENT AGREEMENT

THIS CONSTRUCTION INVESTMENT AGREEMENT, made and entered into this 5<sup>th</sup> day of October, 2007, by and among Coastal Realty Development, LLC, a Massachusetts limited liability company having a principal place of business at 43 Tony Terrace, Bridgewater, MA 02324 (hereinafter referred to as "Coastal"), and Raymond Bourque, Trustee of the R&D Investment Trust under Trust dated June 14, 2007, 346 Cushman Road, North Attleboro, Massachusetts, 02760 ("Investor"):

### WITNESSETH:

WHEREAS, Investor has agreed to invest up to a maximum amount of ONE MILLION FIVE HUNDRED AND NO/100 DOLLARS (\$1,500,000.00) pursuant to the terms of a certain Investment Agreement of even date herewith, (hereinafter referred to as the "Investment"), said Investment to be used by Coastal to complete the Phase 1 and Phase 2 infrastructure improvements specifically identified in the Project Schedule attached hereto (the "Project Schedule") as Exhibit "A" (as identified in Exhibit "A," the "Improvements" or the "Construction") in connection with the construction of an approximately 60 unit planned retirement community on land commonly known as and numbered 727 and 737 Snipatuit Road in Rochester, Massachusetts, such property more particularly described in those two deeds recorded at the Plymouth County Registry of Deeds at Book 33799, Page 99 and 102 (the "Land" with the Improvements being hereinafter collectively referred to as the "Premises");

WHEREAS, Coastal and Investor wish to enter into this Agreement in order to set forth the terms and conditions under which the disbursement of said Investment shall be made in accordance with the terms of the Project Schedule;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration paid by Investor to Coastal, the receipt and sufficiency of which are hereby acknowledged by Coastal, Coastal, and Investor declare and agree as follows:

### ARTICLE I

#### DOCUMENTS

Coastal has duly authorized, executed and delivered or caused to be delivered to Investor the following documents (hereinafter, together with this Agreement and any and all other instruments evidencing or securing said construction Investment, being referred to as "Security Documents"):

1. Investment Agreement: An Investment Agreement dated as of June 15, 2007, as amended by the Amendment to Investment Agreement of even date herewith, between Investor and the Coastal providing for, among other things, the extension of the Investment Agreement for a period of One (1) Year from the date hereof (as amended, the "Investment Agreement")

2. Mortgage and Security Agreement. A Mortgage and Security Agreement of even

date herewith, executed by Coastal conveying to Investor, as security for the Investment, granting a security interest in and to the Premises located in Plymouth County (the "Mortgage");

3. Collateral Assignment of Leases and Rents: A Collateral Assignment of Leases and Rents of even date herewith, executed by Coastal conveying to Investor a security interest in the leases and rents associated with the Premises.

4. Assignment of Project Documents. That certain Assignment of Coastal's Interest in Project Documents additionally securing the Investment and conveying to the Investor all of Coastal's right, title, and interest in and to those contracts, agreements, and other documents therein described, but only to the extent legally assignable under the terms of such documents or under applicable Federal, state or local laws and regulations.

5. Other Documents. All documents necessary to perfect Investor's security interest as set forth in Paragraph 2 hereinabove.

## ARTICLE II

### WARRANTIES OF COASTAL

Coastal hereby warrants to Investor as follows:

1. Plans and Specifications. That Coastal has retained an architect and a civil engineer to prepare certain plans and specifications with respect to the completion of all Improvements to the Premises (hereinafter collectively referred to as the "Plans and Specifications"). Coastal hereby warrants and agrees with the Investor that the Improvements shall be constructed and completed substantially in accordance with the Plans and Specifications free from liens and claims of materialmen, contractors, and subcontractors.

2. Validity of Security Documents. That the Security Documents are in all respects legal, valid and binding according to their terms and grant to Investor a direct, valid and enforceable third lien security interest in the Premises and the fixtures located thereon.

3. Priority of Lien on Personalty. That no chattel mortgage, bill of sale, security agreement, financing statement or other title retention agreement (except those executed in favor of Investor) has or will be executed with respect to any fixture or other personal property that becomes incorporated into the Improvements or the Premises, without the prior written consent of the Investor, except for the security agreements obtained by statute for taxes due to the municipality, provided that the same are paid on schedule and those liens referred to in Exhibit B attached hereto (the "Prior Lien Schedule") (the liens referenced therein are hereinafter referred to as the "Senior Liens").

4. Conflicting Transactions of Coastal. That the consummation of the transaction hereby contemplated and the performance of the obligations of Coastal under and by virtue of the Security Documents will not result in any breach of, or constitute a default under, any mortgage, security Mortgage, Mortgage of trust, lease, bank loan or credit agreement, partnership agreement,

corporate charter or by-laws, or other instrument to which Coastal is a party or by which it may be bound or affected.

5. Pending Litigation. That there are no actions, suits or proceedings pending or, to the knowledge of Coastal, threatened against or affecting it or the Premises, or involving the validity or enforceability of any of the Security Documents or the priority of the lien thereof, at law or in equity, or before or by any governmental authority, except actions, suits and proceedings which are fully covered by insurance and which, if adversely determined, would not substantially impair the ability of Coastal to perform each and every one of its obligations under and by virtue of the Security Documents; and to Coastal's knowledge it is not in default with respect to any order, writ, injunction, decree or demand of any court of any governmental authority.

6. Violations of Governmental Law, Ordinances or Regulations. That Coastal has no knowledge of any violations or notices of violations of any federal law or municipal ordinance or order or requirement of the state in which the Premises are located or any municipal department or other governmental authority having jurisdiction affecting the Premises, which violations in any way relate to or affect the Premises.

7. Compliance with Zoning Ordinances and Similar Laws. That the Plans and Specifications to be prepared and construction of the Improvements thereto and the use of the Premises contemplated thereby comply and will comply with all governmental laws and regulations, and with all requirements, standards and regulations of appropriate supervising boards of fire underwriters and similar agencies.

8. Organization, Status and Authority. That if Coastal purports to be a corporation, partnership or other legal entity, (i) it is duly organized, existing and in good standing under the laws of the state in which it was formed, (ii) it is duly qualified to do business and is in good standing in the state in which the Premises are located, (iii) it has full power, authority and legal right to carry on the business now being conducted by it and to engage in the transactions contemplated by the Security Documents, and (iv) the execution and delivery of the Security Documents and the performance and observance of the provisions thereof have been duly authorized.

9. Permits. That all development and grading permits required for the performance of that portion of preparation of the Land for the construction of the Improvements which has been performed prior to the date of this Agreement have been obtained and that copies of all such permits obtained to date with regard to the Improvements have been delivered to the Investor.

10. Condition of Premises. That the Premises are not now damaged or injured as a result of any fire, explosion, accident, flood or other casualty.

11. Brokerage Commissions. That any brokerage commissions due in connection with the transaction contemplated hereby have been paid in full and that any such commissions coming due in the future will be promptly paid by Coastal. Coastal agrees to and shall indemnify Investor from any liability, claim or loss arising by reason of any such brokerage commissions. This provision shall survive the repayment of the Investment made in connection herewith and shall

continue in full force and effect so long as the possibility of any such liability, claim or loss exists, provided, however, that the Investor represents and warrants to Coastal that it has not agreed, committed or otherwise contracted with any third party for Coastal's payment of any finder's fee, brokerage commission or other payment to a third party to be paid by Coastal and that any such arrangements made by the Investor with any third parties shall be paid by the Investor or some party other than Coastal. Coastal acknowledges that this provision does not apply to or include Coastal's responsibility to pay inspection fees as contemplated herein.

12. Contracts. That Coastal has made no contract or arrangement of any kind or type whatsoever (whether oral or written, formal or informal), the performance of which by the other party thereto could give rise to a lien against the Premises, excepting, however:

(i) The Senior Liens; and

(ii) those claims of contractors who have worked or are expected to work on the Premises, whose claims are contemplated under the Project Schedule to be satisfied from the proceeds of the Investment.

13. Access. That access to the Premises from public rights-of-way is available or shall be made available following completion of the Improvements to be financed by the Security Documents by rights of way which have been dedicated to public use and accepted by such governmental authority. The Coastal shall take all necessary steps to assure that all curb cuts and traffic signals, if any, shown on the Plans and Specifications shall be fully approved by all necessary governmental authorities and installed prior to the date upon which services to the Premises by such facilities shall be necessary.

14. Free of Hazardous Materials. That, to the best of Coastal's knowledge, the Premises (including the Land, surface water, ground water, and Improvements) are free of any substantial amounts of waste or debris and is free of all contamination including: (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder; (c) any substance the presence of which on the Premises is prohibited by any law similar to those set forth in this Paragraph; (d) contamination resulting from any oil, petroleum products, and their by-products; and (e) contamination resulting from any materials which, under federal, state, or local law, statute, ordinance or regulations, or court or administrative order or decree, or private agreement (hereinafter referred to collectively as "Environmental Requirements"), require special handling in collection, storage, treatment or disposal (items (a)-(e)) are hereinafter referred to collectively as "Hazardous Materials"), and that there are no toxic or hazardous wastes located in or about any portion of the Premises in violation of any Environmental Requirement.

### ARTICLE III

#### COVENANTS OF COASTAL

Coastal hereby covenants and agrees with Investor as follows:

1. Commencement and Completion of Construction. The Coastal will cause the proposed construction of the Improvements to be completed in accordance with the Project Schedule, and shall be solely responsible for the completion in accordance with the Plans and Specifications. The Investor is acting only as an Investor in this transaction and is in no way acting as a principal in the matter of the purchase or construction of the security pledged in the mortgage, and is in no way responsible for the construction of the Improvements.

2. Insurance. Provided that the Improvements can be insured under conventional insurance industry standards and practices at customary and reasonable premium and other costs, Coastal shall procure and maintain, for so long as the Investment or any portion thereof remains outstanding, the following policies of insurance, fully paid, from such companies, in such amounts, in such form and substance, and with such expiration dates as are acceptable to the Investor, such policies, with the exception of title insurance, to provide that the insurer shall give the Investor at least thirty (30) days prior written notice of cancellation or termination, and to provide that no act or thing done by the insured shall invalidate or diminish the insurance provided to the Investor:

(a) Title Insurance. A mortgagee title insurance policy in an amount, form and substance and written by a title insurance company satisfactory to Investor and insuring a valid third priority lien upon the Premises, junior to the Senior Liens, by virtue of the Mortgage, the original of which policy shall be promptly delivered to Investor. The policy shall contain no exceptions except those specifically permitted by Investor. The Investor hereby acknowledges that the premium for such title policy was paid by Coastal in connection with a previous closing between Coastal and Investor.

(b) Builder's Risk Insurance. "All risk" builder's risk insurance on a non-reporting, completed value basis, insuring the Improvements against all hazards, including, without limitation, flood, earthquake, and collapse, in an amount not less than one hundred percent (100%) of the full replacement cost of the Improvements without deductions for depreciation, and the originals of such policies, (together with an endorsement designating the Investor as first loss payee and mortgagee, evidence of payment of premiums therein and written agreement therein to give Investor thirty (30) days' prior written notice of intention to cancel) shall be promptly delivered to Investor; said insurance coverage to be kept in full force and effect at all times until the completion of construction of the Improvements and the obtaining of the insurance described in the immediately following paragraph;

(c) Hazard Insurance. After completion of construction of the Improvements, "all risk" hazard insurance, insuring the Premises against all hazards, including, without limitation, flood, earthquake, and collapse, in an amount not less than one hundred percent (100%) of the full

replacement cost of the Improvements without deductions for depreciation and the originals of such policies, (together with an endorsement designating the Investor as third loss payee and mortgagee, evidence of payment of premiums therein and written agreement therein to give Investor thirty (30) days' prior written notice of intention to cancel) shall be promptly delivered to Investor upon completion of construction of the Improvements and before any portion of the Premises is occupied by Coastal or any tenant of Coastal, with such insurance to be kept in full force and effect at all times thereafter until the payment in full of the Investment; provided, however, that any portion of the Premises consisting of improvements other than the Improvements shall be insured under such a policy to be in place and in force not later than the time of closing of the Investment; and

(d) Public Liability and Workmen's Compensation Insurance. Public liability and workers' compensation insurance to the reasonable satisfaction of the Investor, insuring Coastal and General Contractor, and naming the Investor as an additional insured.

Coastal has provided and shall provide the Investor with certified copies of the policies providing for the above-described coverages and certificates of insurance indicating that such policies are issued and in force, together with evidence of payment of premiums thereon.

The Investor acknowledges that Coastal cannot warrant the insurability of Improvements, consisting of roadways, utility installation and other infrastructure improvements as identified in the Project Schedule, for "all risk" hazards under conventional insurance industry standards, but Coastal does warrant to diligently investigate the availability of such coverage and to procure the same, provided the premium and related costs thereof are reasonable and within the budget presented under the Project Schedule.

3. Collection of Insurance Proceeds. To cooperate with the Investor in obtaining for the Investor the benefits of any insurance or other proceeds lawfully or equitably payable to the Investor in connection with the transactions contemplated hereby and to reimburse the Investor for any expenses incurred in connection therewith (including the payment by Coastal of the expense of an independent appraisal on behalf of the Investor in case of a fire or other casualty affecting the Premises).

4. Application of Investment Proceeds. To use the proceeds of the Investment solely for the purpose of paying for the costs of construction of the Improvements in accordance with the Project Schedule and such other costs as may be approved from time to time in writing by the Investor; and in no event to use any of the proceeds of the Investment for personal, family, or household purposes, provided, however, that this exclusion does not affect Coastal's ability to pay compensation as referenced and approved under the Project Schedule.

5. Expenses. Coastal will pay all costs and expenses incurred with respect to any and all transactions contemplated herein and the prosecution or defense of any action or proceeding relating to any transaction contemplated herein or affecting the Premises or any other security given for the Investment, including (without limiting the generality of the foregoing) all title and conveyance charges, recording and filing fees and taxes, intangible taxes, escrow fees, insurance premiums (including title insurance premiums); brokerage commissions, finder's fees, placement fees, court costs, surveyor's, photographer's, appraiser's, architect's, engineer's, Architect's,

construction consultant, accountant's and reasonable attorney's fees; and Coastal will reimburse Investor for all expenses paid to third parties of the nature described in this paragraph which have been or may be incurred by Investor with respect to any and all of the transactions contemplated herein, excluding, however, any brokerage commissions, finders fees or placement fees that the Investor has agreed to pay to third parties in connection with the closing of the lending facility as addressed in Section II.11 of this Agreement. Investor may pay or deduct from the Investment proceeds any of such costs and expenses and any proceeds so applied shall be deemed advanced under this Agreement and secured by the Mortgage. The obligations of Coastal to indemnify Investor hereunder shall survive the repayment by Coastal of all other amounts owed to Investor hereunder.

Coastal also agrees that it shall pay Investor a sum equal to the product of \$116.44 multiplied by the number of days between June 19, 2007 and the date hereof, the drawdown of which shall be documented by the Infrastructure Investor. Such carrying costs shall be paid to Investor on October 6, 2008 provided the drawdown is so documented.

6. Right of Investor to Inspect Premises. To permit Investor and its representatives and agents to enter upon the Premises and to inspect the Improvements and all materials to be used in the construction thereof (including making available to Investor working copies of the Plans and Specifications together with all related supplementary materials) and the right to inspect all books, contracts and records of Coastal relating to the Improvements; provided, however, that this provision shall not be deemed to impose upon Investor any obligation to undertake such inspections at the Investor's sole cost (with the exception of the fees payable by Coastal under Section V.2.c below.

7. Books and Records. To keep and maintain proper and accurate books, records and accounts reflecting all items of income and expense of Coastal in connection with the Improvements and the construction thereof; and, upon the request of Investor, to make such books, records and accounts available to Investor for inspection or independent audit within five (5) business days of such notice.

8. Notification of Claims by Subcontractors and Materialmen. To advise Investor immediately, and in writing, if Coastal receives any notice, written or oral, from any laborer, subcontractor or materialman to the effect that said laborer or materialman has not been paid when due for any labor or materials furnished in connection with the construction of the Improvements.

9. Additional Covenants of Coastal:

(a) Except as otherwise expressly provided in this Agreement and in the other Security Documents,, Coastal shall not further mortgage, assign, or otherwise dispose of or encumber its interest in the Premises, or any part thereof, or the income stream therefrom, or permit any such action to be taken, without the prior approval of Investor.

(b) Coastal will promptly advise Investor in writing of (i) all litigation, regardless of amount, affecting Coastal, any Guarantor, or any part of the Premises, and (ii) all complaints and charges made by any Governmental Authority affecting the Premises or affecting

Coastal or its business which may delay or require changes in the construction of the Improvements or impair the security of Investor.

(c) Coastal shall not create or suffer to exist any choate mechanic's, materialman's, laborer's or other such liens which encumber title to the Premises, whether superior or inferior to the Mortgage.

(d) Coastal agrees upon demand of Investor to do any act or execute any additional documents as may be reasonably required by Investor to confirm the lien of the Mortgage on the Premises and the Improvements to be incorporated therein or other agreement securing the Investment or to comply with any of the conditions contained in the Security Documents.

(e) Coastal shall duly observe all of the covenants, agreements and conditions on its part to be performed and observed hereunder and under any and all other agreements and instruments executed in connection with this investment transaction, and Coastal shall not, surrender, terminate, cancel, rescind, supplement, alter, revise, modify, or amend any such other agreement or instrument or permit any such action to be taken.

10. Additional Documents. To perform hereunder as follows:

(a) Regarding Construction. To furnish to Investor all instruments, documents, initial surveys, footing or foundation surveys, certificates, plans and specifications, appraisals, title and other insurance, reports and agreements with respect to the Premises and/or the Improvements and each and every other document and instrument reasonably required to be furnished by Investor, all at Coastal's expense.

(b) Regarding Preservation of Security. To execute and deliver to Investor such documents, instruments, assignments and other writings, and to do such other acts as are reasonably necessary or desirable, to preserve and protect validity and priority of the mortgage liens on the Premises and on the Improvements at any time securing or intended to secure the Investment agreement, as Investor may reasonably require.

(c) Regarding This Agreement. To do and execute all and such further lawful and reasonable acts, conveyances and assurances in the law for the better and more effective carrying out of the intents and purposes of this Agreement as Investor shall reasonably require from time to time.

#### ARTICLE IV

##### REPRESENTATIONS AND WARRANTIES OF THE INVESTOR

1. Authority of the Investor; Binding Obligations of the Investor. That the Investor has all requisite authority and approvals necessary to enter into this Agreement and the other Security Documents; that upon execution of this Agreement and the Security Documents by the Investor and the Coastal.

2. Warranty and Covenant of the Investor to Perform. Subject to the observance and performance by the Coastal of all of the obligations and covenants of the Coastal hereunder, the Investor is ready and able and shall remain able and ready to advance the full amount of the principal amount of the Investment in accordance with the terms and with the schedules set forth in this Agreement and in the Security Documents.

## ARTICLE V

### METHOD AND CONDITIONS OF DISBURSEMENT OF INVESTMENT PROCEEDS

Investor agrees to make disbursements to Coastal up to the full amount of the Investment, in accordance with a cost breakdown furnished to and approved by Investor, and in accordance with the following procedure:

1. Request for Advance. At such time as Coastal shall desire to obtain, subject to the other requirements hereof, a disbursement of any portion of the Investment, Coastal and Investor's inspector shall complete, execute and deliver to Investor a request for an advance ("Draw Request")

2. Evidence of Progress of Construction. Said draw request shall, upon the request of Investor, be accompanied by evidence in form and content reasonably satisfactory to Investor, including but not limited to certificates and affidavits of Coastal or such other person as Investor may require, showing:

(a) written certification from Coastal that all requirements of this Agreement have been complied with, together with an estimate by Coastal of the costs of construction theretofore and then incurred and the cost of completing the construction of the Improvements (with such supporting details as Investor may reasonably require);

(b) written certification from the general contractor hired by Coastal (the "General Contractor"), stating that all payments theretofore made to the General Contractor by Coastal have been used by the General Contractor solely to pay for labor, materials and subcontracts, if any, in performance of the construction of the Improvements and, that no preliminary notices of lien rights have been filed, and that all labor, services, materials theretofore provided (excluding labor, services, and materials to be paid for from the disbursement to be made pursuant to said Draw Request) have been paid for;

(c) written certification from the Investor's inspector or construction consultant ("Inspector") approving such Draw Request and certifying (i) that the Inspector has inspected the Improvements (ii) that the Investment funds requested are to be applied to costs set out in the Project Schedule, and were incurred in connection with the construction and equipping of the Improvements in accordance with the Plans and Specifications, (iii) that each category of work, with respect to which such application for an advance relates, has been done in compliance with the Plans and Specification, (iv) that all labor and materials incorporated into the work as of the date of such statement complies with the Plans and Specification, (v) as to such other information as

Investor may from time to time require. Coastal shall pay Investor a \$500.00 inspection and \$100.00 run down/title endorsement fee per advance.

- (d) the value of that portion of the Improvements completed at that time;
- (e) that all outstanding claims for labor, materials and fixtures have been paid;
- (f) that there are no liens outstanding against the Premises except for Investor's security interest and the mortgages of record prior to the Investor's mortgage, other than inchoate liens for property taxes not yet due;
- (g) that Coastal has complied with all of Coastal's obligations, as of the date thereof, under the Security Documents;
- (h) that all construction of the Improvements prior to the date of the Draw Request has been done in accordance with the Plans and Specifications;
- (i) that any surety bonds required by Investor are in full force and effect;
- (j) that all funds previously disbursed by Investor have been applied directly to the cost of the construction of the Improvements or such other incidental costs as Investor shall have approved in writing;
- (k) that copies of all bills or statements for expenses for which the advance is requested are attached to said draw request; and
- (l) that all change orders have been approved in writing by Investor.

3. Conditions of Investor's Obligation to Make Advances After the First Advance. Investor's obligation to make any advance of Investment proceeds after the first advance shall be subject to the satisfaction of each of the following conditions as well as all of the other terms and conditions of this Agreement:

- (a) all conditions for the first advance of the Investment shall have been satisfied as of the date of each subsequent advance.
- (b) no Default or Event of Default (as hereinafter defined) shall have occurred; provided, however, that Investor may in its sole discretion make advances notwithstanding the existence of such a Default or Event of Default, and any advance so made shall be deemed to have been made pursuant to this Agreement but shall not constitute a waiver of or consent to such Default or Event of Default.
- (c) all materials and fixtures incorporated in the construction of the Improvements shall have been purchased so that the absolute ownership thereof shall have vested in Coastal immediately upon delivery thereof to the Premises, and Coastal shall have produced and furnished the contracts, bills of sale or other agreements under which title thereto is claimed.

(d) all instruments relating to each advance and all proceedings taken on or prior to each advance in connection with the performance of this Agreement shall be satisfactory to Investor, and Investor shall have been furnished with such documents, reports, certifications, affidavits, and other information, in form and substance satisfactory to Investor, as Investor may require to evidence compliance by Coastal with all of the provisions of this Agreement.

(e) Investor shall have been furnished with a Draw Request.

(f) Investor shall have been furnished with a complete accounting for all Investment funds previously disbursed to Coastal

4. Advances.

(a) At the Investor's option, all advances of Investment funds may be made by check payable to Coastal, or, with respect to construction costs of the Improvements, directly to the General Contractor or any subcontractors, mechanics, materialmen, laborers, or suppliers. The execution of this Agreement by Coastal shall, and hereby does, constitute an irrevocable authorization by Coastal to Investor to advance Investment funds directly to the General Contractor and to any and all subcontractors, mechanics, materialmen, laborers and suppliers engaged with respect to the construction of the Property, provided, however, that before making any such direct payment, the Investor shall notify the Coastal in writing of such intended direct payment (the "Notice of Direct Payment") and the Coastal shall have the opportunity to notify the Investor of any disputes with regard to such claims or invoices and shall have fifteen days following receipt of Notice of Direct Payment to resolve such payment. Upon expiration of such fifteen day period and if such dispute is not resolved, the Investor shall have the right, subject to any order of a court of competent jurisdiction, to make the payment directly to the contractor or to work with Coastal in resolving the dispute.

Provided the preceding procedures are followed, no further direction or authorization from Coastal shall be necessary to authorize such direct advances to the General Contractor or the subcontractors, and all such advances shall constitute advances under the Investment and shall be secured by the Mortgage and other documents securing the Investment as fully as if made directly to Coastal regardless of the disposition thereof by the General Contractor or subcontractors and regardless of whether or not Coastal shall have requested such advances or disbursements or shall have refused to accept the same.

(b) Procedures outlined in this Agreement for disbursements of Investment proceeds will not be deemed in any way to limit Investor's ability, in its sole discretion, to advance Investment funds without Coastal's submitting a Draw Request in the event of a Default as provided for hereinafter or to apply any of the Investment proceeds, regardless of whether a Draw Request is submitted therefor, as may be necessary, in Investor's sole discretion, to protect the collateral for the Investment or to protect the priority of its security interest therein; and any such use of the Investment proceeds shall become a part of the outstanding Investment amount and shall be secured by the Mortgage and other documents securing the Investment.

(c) No advance of Investment proceeds hereunder shall constitute a waiver of any of the conditions to Investor's obligations to make further advances nor, in the event Coastal is unable to satisfy any such condition, shall any such advance have the effect of precluding Investor from thereafter declaring such inability to be a Default or Event of Default hereunder. No advance of any Investment proceeds shall be deemed to be an acceptance or assumption of any liability or responsibility by Investor for work done toward the completion of construction, erection and equipping of the Improvements.

(d) All advances shall be solely for the costs itemized in the Project Schedule and advances, if any, for incidental costs not listed in the Project Schedule relative to such construction shall only be made by the Investor as may be approved by the Investor, from time to time in writing, solely in the discretion of the Investor.

(e) Provided that the Coastal has complied with all of the foregoing procedures for a Draw Request, and has furnished the Investor with all certifications and other supporting documentation specified to accompany or to follow the submission of a Draw Request, the Investor hereby warrants and covenants that each Draw Request, up to the full principal amount of the Investment, shall be funded and honored by the Investor within three (3) business days following Coastal's submissions of all documentation required for each Draw Request.

(f) Any funds up to the Investment amount not advanced by the Investor as of the Redemption Date as provided in the Amendment to Investment Agreement of even date herewith shall result in reducing the Investment amount and the guaranteed return thereon by a like sum.

5. Default. Under no circumstances shall Investor be obligated to honor any Draw Request or otherwise make any disbursements of any of the Investment proceeds if there is a Default or Event of Default hereunder or if all conditions to such advance have not been strictly satisfied in accordance with the terms hereof.

6. Partial Releases of Liens Held by Investor. The Investor expressly agrees and acknowledges that partial subordinations and partial releases of the mortgage liens, collateral interests in leases and rents and in project documents and the like, and the security interests held under the Mortgage and other collateral documents granted by Coastal in favor of the Investor as security for the payment and performance of, among other obligations, of Coastal's obligations under this Agreement, the Mortgage and other collateral and Security Documents (collectively, the "Documents") shall be required in connection with lot construction financing arrangements and in connection with ordinary course sales of separately saleable lots, or portions thereof with respect to duplexes, identified in the Master Plan of the development as recorded at the Registry (each, a "Housing Lot").

Accordingly, the Investor expressly agrees hereunder, that upon receipt of written notice of a bonafide construction financing commitment from an institutional or third party private Investor with respect to one or more Housing Lots which have been pre-sold to a qualified third party buyer in an arms-length transaction (the "Subordination Notice and Request"), the Investor shall, subject to the conditions set forth below, prepare and deliver to the closing attorney for the

closing of any such construction loan refinancing of the Housing Lot(s) designated in the Subordination Notice and Request a properly executed and notarized subordination agreement with respect to such construction financing facility as to such Housing Lot(s) of the mortgage and other collateral liens and security interests that the Investor holds under the Security Documents (the "Partial Subordinations"). The Investor shall deliver each of the Partial Subordination(s) requested in the Subordination Release Notices and Requests delivered by the Coastal within five (5) business days of transmittal of the Subordination Notice and Request without any release or discharge fee or any additional compensation, expense or consideration. Investor's obligation to provide such Partial Subordination shall not apply to any housing unit to be built on spec.

In addition, the Investor also agrees hereunder, that upon receipt of a \$60,000.00 release payment paid in certified funds, pursuant to the escrow arrangement provided in Section 6.5 of the Investment Agreement dated as of June 15, 2007, as amended by the Amendment to Investment Agreement of even date herewith, between Investor and the Coastal (as amended, the "Investment Agreement"), from the closings of the subsequent sales of units at the Housing Lots to qualified owners, the Investor shall deliver to Coastal for recording at the Registry partial releases of the mortgage liens, other liens and collateral and security interests that the Investor holds under the Security Documents, as to each Housing Lot in connection with the sale thereof (the "Partial Release"), to be recorded in connection with the sale of such Housing Lot(s).

In addition to the Partial Subordination to be delivered by the Investor in connection with the construction refinancing or sale of Housing Lots as provided above, the Investor hereby agrees that, upon delivery of a request from Coastal for a Partial Subordination with respect to up to three (3) Housing Lots containing model duplex or single units, the Investor shall deliver the same to Coastal within five (5) business days of receipt of such request for recording at the Registry, such Partial Subordination to be delivered to the Company irrespective of whether the Housing Lots containing such model units are the subject of construction refinancings or third party sales.

All unit construction financing with third parties as contemplated herein shall require the prior written consent of Investor as to the terms and conditions of such refinancing, which consent may be withheld by Investor in its sole discretion with respect to any private Investor and in Investor's reasonable discretion with respect to any institutional Investor. Coastal acknowledges that Investor will only be obligated to partially subordinate its mortgage lien and security interest as provided for herein, in connection with any construction loan refinancing if (i) Coastal is the borrower; (ii) the debt for said construction loan refinancing is serviced on a monthly basis; (iii) the construction budget, as approved by the lot construction lender, provides for the expenditure of sums equal in amount to the amount of the subordination sought by Coastal from the Investor; and (iv) the balance of Coastal's obligations under each construction loan refinancing does not exceed the sum of \$325,000.00 per duplex housing unit (and not per Housing Lot) at any time.

## ARTICLE VI

### DEFAULTS

An event of default shall be deemed to have occurred hereunder if:

1. Default Under Security Documents. Any default or event of default shall occur under this Agreement, or under any of the Security Documents which shall include a failure by Coastal to pay when due any amount owing under any of the Security Documents;
2. Breach of Covenant or Condition. Coastal or any Guarantor breaches or fails to perform, observe or meet any covenant or condition made in any of the Security Documents;
3. Breach of Representation or Warranty. Any representation or warranty made or agreed to be made in any of the Security Documents, shall be breached by Coastal or shall prove to be materially false or misleading;
4. Filing of Liens Against the Premises. Any lien for labor, material, taxes or otherwise shall be filed against the Premises or any part thereof and not be removed within ninety (90) days thereafter;
5. Litigation Against Coastal. Any suit shall be filed against Coastal or any guarantor of the Investment which, if adversely determined, could reasonably be expected to substantially impair the ability of Coastal or such guarantor to perform each and every one of its obligations under and by virtue of the Security Documents;
6. Levy Upon the Premises. A levy, attachment or garnishment be made under any process on, or a receiver be appointed for, the Premises and the same be not dismissed within ninety (90) days;
7. Bankruptcy of Coastal. Coastal or any guarantor of the Investment commits any act of bankruptcy; or any proceeding under bankruptcy laws or other laws of general application to creditors be brought by or against Coastal or any guarantor and the same be not dismissed within ninety (90) days;
8. Insolvency of Coastal. In any legal proceeding Coastal or any guarantor of the Investment is determined by the court to be insolvent or unable to pay Coastal's debts or any guarantor's debts, respectively, as they become due, and the same be not dismissed within ninety (90) days;
9. Assignment for the Benefit of Creditors. Coastal or any guarantor of the Investment shall make a general assignment for the benefit of creditors;
10. Transfer of Premises. Except as expressly provided in this Agreement, Coastal shall not without the prior written consent of Investor, sell, transfer or convey, whether absolutely or as security, and whether voluntarily or not, all or any part of its interest in the Premises or in any of the fixtures located thereon, or other real estate used as collateral for this Investment, or used or intended to be used in connection therewith. Notwithstanding this provision, the Investor hereby expressly authorizes Coastal to submit the Premises to the provisions of M.G.L. ch 183A for the purposes of establishing a condominium and hereby agrees to subordinate the Security Documents

to the Master Deed and Condominium Trust. Furthermore the sale of individual condominium units shall not be deemed a violation of the provisions of this Section V-10 and such sales are contemplated under this Agreement and the related Security Documents as provided in Section 6 of Article V hereof;

11. Personal Property Placed in Improvements. Coastal executes (other than to Investor) any conditional bill of sale, chattel mortgage, security agreement or other security instrument covering any materials, fixtures or articles intended to be incorporated in the Improvements or the appurtenances thereto, or covering articles of personal property placed in the Improvements, or a financing statement publishing notice of such security instrument shall be filed, or if any of such materials, fixtures or articles shall not be purchased so that the ownership thereof shall vest unconditionally in Coastal, free from encumbrances other than to Investor and to the Senior Liens or the liens granted to the lot construction Investor on the terms contemplated in Section 6 of Article 6 of this Agreement, on delivery at the Premises, or if Coastal shall not produce to Investor upon demand the contracts, bills of sale, statements, receipted vouchers or agreements, or any of them, under which Coastal claims title to such materials, fixtures and articles, excluding however those Housing Lots sold in accordance with Article V, Section 6 hereof and those equipment or capital leases that the Coastal may enter into in conjunction with the construction of the Improvements or development of the Premises generally; or

12. Failure to Disprove Default. Investor shall reasonably suspect the occurrence of one or more of the events of default described in this Article VI, and Coastal, upon request of the Investor, shall fail to provide evidence reasonably satisfactory to Investor that such event or events of default have not in fact occurred;

13. Adverse Change. The occurrence of any material adverse change in the condition of Coastal, financial or otherwise, from the condition shown by Coastal's financial statement; or

14. Default. Notwithstanding any term or condition contained herein to the contrary, prior to any event being a Default under this Agreement, Investor shall give written notice to Coastal of a non-monetary default hereunder and Coastal shall have a period of fifteen (15) business days from the effective date of the written notice as provided in Section VIII.12 hereof to cure such non-monetary default.

## ARTICLE VII

### REMEDIES OF INVESTOR

Upon the occurrence of any one or more of the events of default set out in Article V hereof prior to the satisfaction in full of the obligations of Coastal to the Investor, Investor shall at its option be entitled, in addition to and not in lieu of, the remedies provided for in the Mortgage or other Security Documents, to proceed to exercise any one or more of the following remedies:

1. Default Constitutes Default Under Security Documents. Coastal agrees that the occurrence of such event of default hereunder shall constitute a default under each of the Security Documents, thereby entitling Investor (i) to exercise any of the various remedies therein provided, including the acceleration of rights set for in the Investment Agreement and the foreclosure of the

Mortgage and (ii) to cumulatively exercise all other rights, options and privileges provided by law or in equity.

2. No Obligation to Make Advances. Upon the happening of an Event of Default described in Article VI hereof, the Investor shall not be obligated to make any further advances with respect to the Investment until such default has been appropriately remedied or cured, in the discretion of the Investor; provided, however, the Investor may, regardless of whether a default remains unremedied or uncured, make any advance permitted under the terms of this Agreement without thereby waiving the Investor's rights, remedies, and powers with respect to any such Event of Default and without thereby becoming liable to make any other or more further advances hereunder.

3. Right of Investor to Assume Possession and Complete Construction. Coastal agrees, upon the request of Investor, to vacate the premises and permit Investor:

(a) to enter into possession;

(b) to perform or cause to be performed any and all work and labor necessary to complete the Improvements in accordance with Plans and Specifications;

(c) to employ security watchmen to protect the Premises and

(d) to disburse that portion of the Investment not previously disbursed (including any retainage) to the extent necessary to complete construction of the Improvements in accordance with Plans and Specifications, and if the completion requires a larger sum than the remaining undisbursed portion of the Investment, to disburse such additional funds, all of which funds so disbursed by Investor shall be deemed to have been disbursed to Coastal under and secured by the Mortgage. For this purpose, Coastal hereby constitutes and appoints Investor its true and lawful attorney-in-fact to take all actions necessary in connection therewith including but not limited to the following: to use any funds of Coastal including any balance which may be held in escrow and any funds which may remain unadvanced hereunder for the purpose of completing the Improvements in the manner called for by the Plans and Specifications; to make such additions and changes and corrections in the Plans and Specifications which shall be necessary or desirable to complete the Improvements in substantially the manner contemplated by the Plans and Specifications; to employ such subcontractors, agents, architects and inspectors as shall be required for said purposes; to pay, settle or compromise all existing or future bills and claims which are or may be liens against said Premises, or may be necessary or desirable for the completion of the Improvements or the clearance of title to the Premises; to execute all applications and certificates in the name of Coastal which may be required by any construction contract and to do any and every act with respect to the construction of the Improvements which Coastal might otherwise do in its own behalf. It is understood and agreed that this power of attorney shall be deemed to be a power coupled with an interest which cannot be revoked by death or otherwise. Said attorney-in-fact shall also have power to prosecute and defend all actions or proceedings in connection with the construction of the Improvements and to take such action and require such performance as it deems necessary. In accordance therewith Coastal hereby assigns to Investor all sums to be advanced hereunder including retainage and any sums in escrow, conditioned upon the use of said sums, if any, for the

completion of the Improvements.

## ARTICLE VIII

### GENERAL CONDITIONS

The following conditions shall be applicable throughout the term of this Agreement:

1. Rights of Third Parties. All conditions of the obligations of Investor hereunder, including the obligation to make advances, are imposed solely and exclusively for the benefit of Investor and its successors and assigns and no other person shall have standing to require satisfaction of such conditions in accordance with their terms or be entitled to assume that Investor will refuse to make advances in the absence of strict compliance with any or all thereof and no other person shall, under any circumstances, be deemed to be a beneficiary of such conditions, any and all of which may be freely waived in whole or in part by the Investor at any time if in its sole discretion it deems it desirable to do so. In particular, Investor makes no representations and assumes no obligations as to third parties concerning the quality of the construction by Coastal of the Improvements or the absence thereof of defects. In this connection, Coastal agrees to and shall indemnify Investor from any liabilities, claims or losses resulting from the Improvements whether related to the quality of the construction thereof or otherwise and whether arising during or after the term of the Investment made by Investor to Coastal in connection herewith. This provision shall survive the repayment of said Investment and shall continue in full force and effect so long as the possibility of such liabilities, claims or losses exists.

2. Evidence of Reasonable Satisfaction of Conditions. Any condition of this Agreement which requires the submission of evidence of the existence or nonexistence of a specified fact or facts implies as a condition the existence or nonexistence, as the case may be, of such fact or facts, and Investor shall, at all times, be free independently to establish to its reasonable satisfaction and in its reasonable absolute discretion such existence or nonexistence.

3. Assignment By Coastal. Coastal may not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Investor.

4. Assignment by Investor. Investor may assign this Agreement, the other documents executed with respect to the Investment to any other person, firm or corporation. In the event of such assignment, it shall be deemed to be in compliance by Investor with this Agreement and to have been made pursuant to this Agreement.

5. Inspections. The inspections and approvals of the Plans and the Improvements and the workmanship and materials used therein impose no responsibility or liability of any nature whatsoever on Investor, Investor's sole obligation hereunder being to make the advances if and to the extent required by this Agreement.

6. Successors and Assigns Included in Parties. Whenever in this Agreement one of the Parties hereto is named or referred to, the heirs, executors, legal representatives, successors and assigns of such party shall be included and all covenants and agreements contained in this

Agreement by or on behalf of the Coastal or by or on behalf of the Investor shall bind and inure to the benefit of their respective heirs, executors, legal representatives, successors and assigns, whether so expressed or not.

7. Headings. The headings of the sections, paragraphs and subdivisions of this Agreement are for the convenience of reference only, are not to be considered a part hereof and shall not limit or otherwise affect any of the terms hereof.

8. Invalid Provisions to Affect No Others. If fulfillment of any provision hereof or any transaction related hereto at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect.

9. Number and Gender. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the other.

10. Amendments. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, but only by instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

11. Governing Law. This Agreement shall be governed by and construed according to the laws of the Commonwealth of MASSACHUSETTS.

12. Notices. Any and all notices, elections or demands permitted or required to be given under this Agreement shall be in writing, signed by or on behalf of the party giving such notice, election or demand, and shall be deemed to have been properly given and shall be effective upon being personally delivered, or after being deposited in the United States mail, postage prepaid, certified with return receipt required, shall be deemed to have been received on the earlier of the date shown on the receipt or three (3) business days after the postmarked date thereof, or on the next following business day after being deposited with an overnight delivery service of national reputation (i.e., Federal Express, UPS, DHL or USPS overnight delivery) requiring proof of delivery, to the other party at the address of such other party set forth below or such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance herewith; provided, however, that the time period in which a response to any such notice, election, demand or request must be given shall commence on the date of receipt thereof; and provided further that no notice of change of address shall be effective until the date of receipt thereof. Personal delivery to a partner or any officer, partnership, agent or employee of such party at said address shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been given shall also constitute receipt. Any such notice, election, demand, request or response shall be addressed as follows:

If given to Investor, shall be addressed as follows:

R&D Investment Trust u/d/t dated June 14, 2007  
Raymond Bourque, Trustee  
346 Cushman Road  
North Attleborough, MA 02760  
Fax: (508)399-8263

with a copy to:

Peter G. Shaheen, Esq.  
SHAHEEN GUERRERA & O'LEARY, LLC  
820A Turnpike Street  
North Andover, MA 01845  
Fax: (978) 794-0890

and, if given to Coastal, shall be addressed as follows:

Coastal Realty LLC  
43 Tony Terrace  
Bridgewater, MA 02324  
Fax: (774) 849-5692

with a copy to:

Michael A. Khoury, Esq  
MADOFF & KHOURY LLP  
124 Washington Street, Suite 202  
Foxborough, MA 02035  
Fax: (508) 543-0020

14. Time. Time is of the essence in this Agreement.


15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

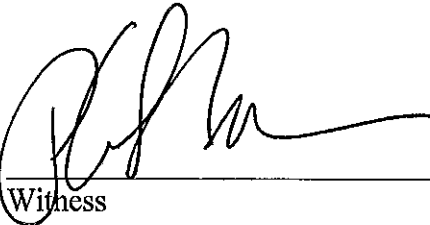
IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their seals, the date first above written.

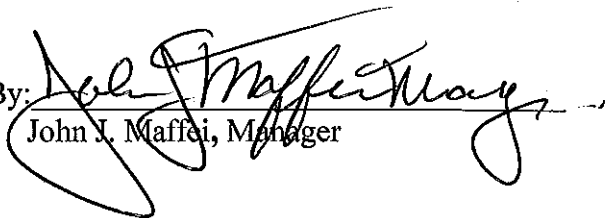
COASTAL:

Coastal Realty Development, LLC

  
\_\_\_\_\_  
Witness

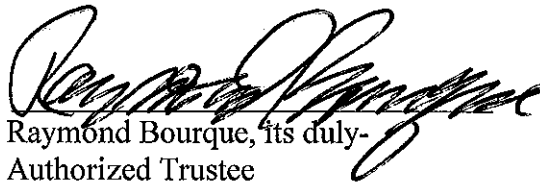
By:   
\_\_\_\_\_  
Jeffrey M. Gosciminski, Manager


  
\_\_\_\_\_  
Witness

By:   
\_\_\_\_\_  
John J. Maffei, Manager

INVESTOR:

R&D INVESTMENT TRUST,  
u/d/t dated June 14, 2007,

By:   
\_\_\_\_\_  
Raymond Bourque, its duly-  
Authorized Trustee

  
\_\_\_\_\_  
Witness

**EXHIBIT A**

**PROJECT SCHEDULE**

**Trailside Estates**  
Phase I and Phase II Construction Plan  
4/5/6

Code	Infrastructure	2007	7/2007	8/2007	9/2007	10/2007	11/2007	12/2007	1/2008	2/2008	3/2008	4/2008	6/2008	Total
SL	Strip Loam/Cuts & Fills	\$79,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$79,100
FG	Fill/Gravel Base/Stone	\$85,000	\$25,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,000
SM	Sewer Mains/Tanks	\$0	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,000
G	Gas Main Trench/Sand/Backfill	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
W	Water Main	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
D	Drainage/Detention Basins	\$141,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$141,500
PG	Processed Gravel Roadways	\$50,000	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$90,000
RL	Respread Loam	\$0	\$0	\$0	\$0	\$20,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,900
RH	Rake and Hydroseed	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
BP	Binder Pavement	\$0	\$0	\$0	\$0	\$71,196	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71,196
B	Pumps/Tanks	\$0	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
L	Leechfield Complete	\$0	\$0	\$0	\$32,698	\$47,302	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,000
	RJ Bevilacqua Site Contract	\$355,600	\$70,000	\$135,000	\$32,698	\$149,398	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$742,696
E	Engineering/Architect	\$220,000	\$5,000	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$230,000
ES	Erosion and Sed. Control	\$24,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,100
NS	Nstar Engineering/Materials	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$75,000
U	Utility Trench/Conduit/Culvert	\$0	\$0	\$15,000	\$30,000	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,000
LC	Land Clearing	\$24,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,600
SR	Stump Removal/Disposal	\$28,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,800
WR	Wetland Replication	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000
W	Public Well System	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
B	Bioclere Treatment	\$0	\$0	\$18,000	\$0	\$32,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
RW	Retain Wall/Guard Rail	\$0	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
T	Trail System	\$0	\$0	\$0	\$0	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000
LS	Landscape	\$10,000	\$0	\$0	\$0	\$10,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$40,000
M	Initial Marketing	\$10,000	\$0	\$5,000	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$5,000	\$0	\$0	\$70,000
S	Salaries	\$14,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$0	\$74,000
WS	WS Interest	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
PF	Professional fees	\$27,304	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$77,304
A	Appraisal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$2,500
RB	Infrastructure Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$375,000	\$375,000
	Sub Total	\$484,804	\$36,000	\$104,000	\$36,000	\$83,000	\$46,000	\$16,000	\$16,000	\$16,000	\$11,000	\$8,500	\$0	\$1,232,304
	TOTAL	\$840,404	\$106,000	\$239,000	\$68,698	\$232,398	\$46,000	\$16,000	\$16,000	\$16,000	\$11,000	\$8,500	\$375,000	\$1,975,000

\*\*\*\* Indicates additions to original budget.

1,254,102  
(-) 981,468 (PAYMENTS RCV'D FROM RAY B. LOAN)  
272,634 DRAW REQUEST

## EXHIBIT "B"

### SCHEDULE OF PRIOR LIENS AND MATTERS OF RECORD

1. Mortgage from Coastal Realty Development LLC ("Coastal") to Kenneth A. Ashworth, Betty B Ashworth, Scott Allen and Wendy J. Ashworth in the original principal amount of \$900,000.00 recorded December 7, 2006 at the Plymouth County Registry of Deeds (the "Registry") at Book 33899, Page 77;
2. Mortgage Deed dated December 7, 2006 from Coastal to Wayne Sullivan in the original principal amount of \$500,000.00 recorded at the Registry on December 7, 2006 at Book 33799, Page 104;
3. Assignment of Permits and Licenses from Coastal to Wayne Sullivan dated December 7, 2006 and recorded at the Registry at Book 33799, Page 112;
4. Mortgage from Coastal to Raymond Bourque, as Trustee of R&D Investment Trust, and to T&T Capital Partners, LLC dated June 15, 2007 recorded at the Registry at Book 34688, Page 23;
5. Collateral Assignment of Leases and Rents from Coastal to Raymond Bourque, as Trustee of R&D Investment Trust dated June 15, 2007 and recorded at the Registry at Book 34688, Page 37 and 40
6. Collateral Assignment of Contracts, Purchase and Sale Agreements, Licenses, Permits, Agreements, Warranties and Approvals to Raymond Bourque, as trustee of the R&D Investment Trust dated June 15, 2007 and recorded at the Registry at Book 34688, Page 37 and 40.
7. Covenant dated December 8, 2006 between Coastal and the Town of Rochester governing the development and sale of individual lots at the Premises in conjunction with the construction and installation of utilities, conservation mitigation measures and other municipal services, recorded on December 8, 2006 at the Registry at Book 33805, Page 284;
8. Order of Conditions from the Rochester Conservation Commission dated December 8, 2006 imposing certain environmental requirements in connection with the development of the Premises, recorded December 26, 2006 at the Registry in Book 33883, Page 53;
9. Grant of Easement dated March 7, 1952 granting Algonquin Gas Transmission Company utility easements on a portion of the Premises, recorded March 25, 1952 at Book 2198, Page 71;
10. Grant of Easement dated March 1, 1960 granting Algonquin Gas Transmission Company an expanded right of way for a second utility pipeline on a portion of the Premises, recorded March 10, 1960 at Book 2763, Page 47;

11. Grant of Easement dated February 6, 1969 granting Algonquin Gas Transmission Company an additional right of way/utility easements on a portion of the Premises, recorded February 21, 1969 at Book 3503, Page 309, Page 71;
12. Decision of Rochester Zoning Board of Appeals dated October 14, 1993 granting Special Permit affecting a portion of the Premises recorded at the Registry on October 18, 1993 at Book 2429, Page 302;
13. Decision of The Rochester Planning Board dated September 26, 2006 granting special permit for the development of the Premises recorded on September 27, 2006 at Book 33929, Page 62.