

STATE OF MAINE  
PENOBSCOT, ss.

SUPERIOR COURT  
Docket No. RE-2007-

BANGOR SAVINGS BANK, )  
a Maine corporation with a )  
place of business in Bangor, )  
County of Penobscot and )  
State of Maine, )

Plaintiff )

vs. )

KATAHDIN COMMUNITY CENTER, )  
LLC, a Maine limited liability )  
company with a place of )  
business in Millinocket, )  
County of Penobscot and )  
State of Maine, )

Defendant )

COPY

COMPLAINT

TITLE TO REAL ESTATE  
IS INVOLVED

Plaintiff Bangor Savings Bank appears through its attorney,  
Michael S. Haenn, Esq., and states as follows:

1. Plaintiff Bangor Savings Bank is a Maine corporation  
with a place of business in Bangor, County of Penobscot and State  
of Maine.

2. Defendant Katahdin Community Center, LLC is a Maine  
limited liability company with a place of business in  
Millinocket, County of Penobscot and State of Maine.

3. On May 25, 2005 the Defendant executed and delivered a  
commercial promissory note to the Plaintiff in the original  
principal amount of \$119,700.00 ("the Note"), pursuant to the  
terms of which the Defendant agreed to pay said amount, together  
with interest, on certain payment terms as therein described.  
Annexed hereto as Exhibit A is a true and accurate copy of the  
Note, all of the terms of which are incorporated herein by

reference.

4. On May 25, 2005 the Defendant executed and delivered a mortgage deed to the Plaintiff ("the Mortgage"), said deed granting a mortgage interest to the Plaintiff in certain property situated generally in Millinocket, Maine ("the Property") to secure the payment obligations of the Defendant pursuant to the Note. Annexed hereto as Exhibit B is a true and accurate copy of the Mortgage, all of the terms of which are incorporated herein by reference.

5. The Plaintiff caused the Mortgage to be recorded in the Penobscot Registry of Deeds in Vol. 9886, Page 156.

6. The Defendant is in default of its payment obligations to the Plaintiff pursuant to the terms of the Note, and is therefore in default and breach of the terms of the Mortgage.

7. As of March 15, 2007 the amount due to the Plaintiff according to the terms of the Note and/or the Mortgage (exclusive of attorneys' fees and costs) included the following sums:

principal:	\$119,550.48
accrued interest:	2,959.22
Total:	\$122,509.70

per diem interest rate: \$21.29

WHEREFORE, Plaintiff Bangor Savings Bank demands this Court:

A. Determine that there has been a default under the Note and a breach of condition of the Mortgage.

B. Determine the amount due to the Plaintiff according to the Note and/or the Mortgage, including principal, interest, other assessments, reasonable attorneys' fees and costs.

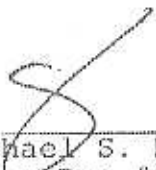
C. Determine the order of priority of such other parties as

it may appear, together with the amount due such other parties, if any.

D. Issue a judgment of foreclosure and sale in conformity with 14 M.R.S.A. § 6321 et seq.

E. Grant such other and further relief as this Court deems just and proper.

Dated at Bangor, Maine this 16<sup>th</sup> day of March, 2007.



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Michael S. Haenn, Esq.  
Maine Bar #2051  
88 Hammond Street  
P. O. Box 915  
Bangor, Maine 04402-0915  
[michael@haennlaw.com](mailto:michael@haennlaw.com)  
Attorney for Plaintiff  
Bangor Savings Bank



EXHIBIT  
A

### PROMISSORY NOTE

Principal	Pay Date	Maturity	Loan No.	Coll / Coll	Account	Officer	Initials
\$119,700.00	05-25-2006	05-25-2006	0601093109	AA/600		083	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing \*\*\*\*\* has been omitted due to text length limitations.

**Borrower:** Katahdin Community Center, LLC  
10 Penobscot Ave  
Millinocket, ME 04462

**Lender:** Bangor Savings Bank  
Millinocket Office  
96 Central Street  
P.O. Box 498  
Millinocket, ME 04462-0488

**Principal Amount: \$119,700.00**

**Interest Rate: 6.500%**

**Date of Note: May 25, 2005**

**PROMISE TO PAY.** Katahdin Community Center, LLC ("Borrower") promises to pay to Bangor Savings Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Nineteen Thousand Seven Hundred & 00/100 Dollars (\$119,700.00), together with interest on the unpaid principal balance from May 25, 2005, until paid in full.

**PAYMENT.** Borrower will pay this loan in one principal payment of \$119,700.00 plus interest on May 25, 2006. This payment due on May 25, 2006, will be for all principal and all accrued interest not yet paid. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning June 25, 2005, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Bangor Savings Bank, Payment Processing, Attn: Loan Services Supervisor, P.O. Box 930 Bangor, ME 04402-0930.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 6.000% of the unpaid portion of the regularly scheduled payment.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 4.000 percentage points. The interest rate will not exceed the maximum rate permitted by applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

PROMISSORY NOTE  
(Continued)

Loan No: 0681093185

Page 2

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**WAIVE JURY.** Borrower hereby expressly and voluntarily waives any and all rights, whether arising under the Maine constitution, and any Rules of Civil Procedure, common law or otherwise, to demand a trial by jury in any action, suit, proceeding or counterclaim involving Lender as to any matter, claim or cause of action whatsoever arising out of or in any way related to any agreement or loan with Lender or any of the transactions contemplated between the parties.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Maine without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Maine.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Penobscot County, State of Maine.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** Borrower acknowledges this Note is secured by land and buildings located at 219 Penobscot Ave, Millinocket, Maine; Bangor Savings Bank Money Market #2500006166, #006581918, #2500006157, #250000470, #2500006169.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: Bangor Savings Bank, Millinocket Office, 99 Central Street, P.O. Box 488, Millinocket, ME 04462-0488.

**GENERAL PROVISIONS.** Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

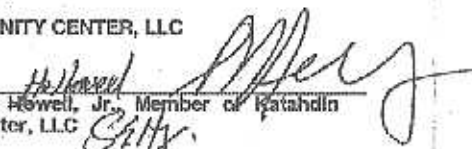
**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

KATAHDIN COMMUNITY CENTER, LLC

By:

  
Samuel Guilds Howell, Jr., Member of Katahdin  
Community Center, LLC

**RECORDATION REQUESTED BY:**

Bangor Savings Bank  
Millinocket Office  
96 Central Street  
P.O. Box 488  
Millinocket, ME 04462-0488

EXHIBIT

B

**WHEN RECORDED MAIL TO:**

Bangor Savings Bank  
Millinocket Office  
96 Central Street  
P.O. Box 488  
Millinocket, ME 04462-0488

**SEND TAX NOTICES TO:**

Bangor Savings Bank  
Millinocket Office  
96 Central Street  
P.O. Box 488  
Millinocket, ME 04462-0488

FOR RECORDER'S USE ONLY

**MORTGAGE**

**DEFINITIONS.** The following words are used often in this document. When they are used, they will have the following meanings:

**Borrower.** Katahdin Community Center, LLC and all other persons and entities signing the Note will sometimes be called "Borrower".

**Lender.** Bangor Savings Bank will be called "Lender."

**Note.** The word "Note" means the promissory note signed by Borrower and dated May 25, 2005 in the original amount of \$119,700.00. This amount is called "principal." The word "Note" includes all renewals of, extensions of, modifications of and substitutions for the promissory note or credit agreement. The interest rate on the Note is 6.500%. The maturity date of this Security Instrument is May 25, 2008.

**Owner.** Katahdin Community Center, LLC sometimes will be called "Owner" and sometimes simply "I" or "me."

**Property.** The property that is described in the section titled "DESCRIPTION OF THE PROPERTY" will be called the "Property".

**Security Instrument.** This mortgage document will also be called the "Security Instrument."

**Sums Secured.** The amounts described below in the section titled "OWNER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY" sometimes will be called the "Sums Secured." The lien of this Security Instrument will not exceed at any one time the principal amount of \$119,700.00, plus interest and other advances Lender makes which are necessary to protect Lender's security interest.

**THIS MORTGAGE IS DATED** May 25, 2005, **BETWEEN** Katahdin Community Center, LLC, whose address is 10 Penobscot Ave, Millinocket, ME 04462 (sometimes below will be called "Owner," "Borrower," "I," or "me"); and Bangor Savings Bank, whose address is Millinocket Office, 96 Central Street, P.O. Box 488, Millinocket, ME 04462-0488 (sometimes below will be called "Lender").

**OWNER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY.** I mortgage, grant and convey to Lender the Property, subject to the terms of this Security Instrument, to have and to hold all of the Property to Lender, and to its successors and assigns, forever. This means that, by signing this Security Instrument, I am giving Lender those rights that are stated in this Security Instrument and also those rights that the law gives to lenders who hold mortgages on real property. Those rights that the law gives to lenders who hold mortgages on real property include those rights known as "Mortgage Covenants." I am giving Lender these rights to protect Lender from possible losses that might result if I fail to do any of the following:

- (A) Pay all the amounts that I owe Lender as stated in the Note;
- (B) Pay, with interest, any amounts that Lender spends under this Security Instrument to protect the value of the Property and Lender's rights in the Property; and
- (C) Keep all of my other promises and agreements under this Security Instrument.

**DESCRIPTION OF THE PROPERTY.** I mortgage, grant and convey to Lender the Property described in (A) through (I) below.

- (A) This Property is located in **Penobscot County, State of Maine:**

**See Exhibit A, which is attached to this Security Instrument and made a part of this Security Instrument as if fully set forth herein.**

**The Real Property or its address is commonly known as** 219 Penobscot Ave, Millinocket, ME 04462.

- (B) All buildings and other improvements that are located on the Property described in subparagraph (A) of this section;
- (C) All rights in other property that I have as owner of the Property described in subparagraph (A) of this section. These rights are known as "easements, rights and appurtenances attached to the Property;"

MORTGAGE  
(Continued)

- (D) All rents and royalties from the Property described in subparagraph (A) of this section;
- (E) All mineral, oil and gas rights and profits, water rights and stock that are part of the Property described in subparagraph (A) of this section;
- (F) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subparagraph (A) of this section;
- (G) All fixtures that are now or in the future will be on the Property described in subparagraphs (A) and (B) of this section;
- (H) All of the rights and property described in subparagraphs (B) through (G) of this section that I acquire in the future; and
- (I) All replacements of or additions to the Property described in subparagraphs (B) through (I) of this section.

**OWNER'S RIGHT TO MORTGAGE THE PROPERTY AND OWNER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY.** I promise that (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

**PLAIN LANGUAGE SECURITY INSTRUMENT.** My promises and agreements in this Mortgage are stated in "plain language."

**THIS MORTGAGE IS GIVEN TO SECURE (A) PAYMENT OF THE SUMS SECURED AND (B) PERFORMANCE OF ALL OF MY OBLIGATIONS UNDER THIS MORTGAGE.**

UNIFORM COVENANTS

I PROMISE AND I AGREE WITH LENDER AS FOLLOWS:

**OWNER'S PROMISE TO PAY.** I will pay to Lender on time principal and interest due under the Note and any late charges due under the Note.

**OWNER'S OBLIGATION TO PAY CHARGES, ASSESSMENTS AND CLAIMS.** I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will do this by making the payments on time to the person owed them. (In this Security Instrument, the word "person" means any person, organization, governmental authority or other party.) If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so.

Any claim, demand or charge that is made against the Property because an obligation has not been fulfilled is known as a "lien." I must promptly pay or satisfy a superior lien unless: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (B) in good faith, I agree or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that person. If Lender determines that any part of the Property is subject to a superior lien, Lender may give me a notice identifying the superior lien. I will then pay or satisfy the superior lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**OWNER'S OBLIGATION TO MAINTAIN HAZARD INSURANCE.** I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. If the Property is or becomes located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, I agree to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender. I agree to maintain such insurance for the term of the loan. In no event, however, shall I be required to provide hazard insurance in excess of the replacement value of the buildings and other improvements on the Property. I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable.

All of the insurance policies and renewals of those policies must include what is known as a "standard mortgagee clause" to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "proceeds." The proceeds will be used to repair or to restore the damaged Property unless: (A) it is not economically feasible to make the repairs or restoration; or (B) the use of the proceeds for that purpose would lessen the protection given to Lender by this Security Instrument; or (C) Lender and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the proceeds will be used to reduce the amount that is owed to Lender under the Note and under this Security Instrument. If any of the proceeds remain after the amount that is owed to Lender has been paid in full, the remaining proceeds will be paid to me.

If I abandon the Property, or if I do not answer, within thirty (30) days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may collect the proceeds. Lender may use the proceeds to repair or restore the Property or to pay the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which is owed to Lender under the Note, that use will not delay the due date or

change the amount of any of the monthly payments under the Note and under the Paragraph titled "MONTHLY PAYMENTS FOR TAXES AND INSURANCE" above. However, I and Lender may agree in writing to those delays or changes.

If Lender acquires the Property as provided below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the Sums Secured immediately before the Property is acquired by Lender or sold.

**OWNER'S OBLIGATION TO MAINTAIN THE PROPERTY.** I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate.

**HAZARDOUS SUBSTANCES.** I promise that the Property never has been and never will be used for the generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous substance, hazardous waste, or hazardous matter, as those terms are used in any federal or state law governing any such use ("Hazardous Matter Laws"). I promise to protect Lender and the Property from any loss under any Hazardous Matter Law. I promise to pay Lender any losses or costs Lender may incur because of Hazardous Matter Laws applying to the Property or its use or condition. This promise will continue to be effective even after the Mortgage is paid in full and discharged.

**LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY; MORTGAGE INSURANCE.** If (A) I do not keep my promises and agreements made in this Security Instrument, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or to enforce laws or regulations), Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Lender must give me notice before Lender may take any of these actions. Although Lender may take action under this Paragraph, Lender does not have to do so.

To the extent permitted by law, I will owe Lender any amounts, with interest, which Lender spends under this Paragraph. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the Note rate. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If Lender required mortgage insurance as a condition for my loan, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law.

**POSSESSION AND USE.** Until in default, I may remain in possession and control of and operate and manage the Property.

**LENDER'S RIGHT TO INSPECT THE PROPERTY.** Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before, or at the time an inspection is made, Lender must give me notice stating a reasonable purpose for the inspection.

**AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY.** A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the Sums Secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will be reduced only by the amount of proceeds multiplied by the following fraction: (A) the total amount of the Sums Secured immediately before the taking, divided by (B) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me.

If I abandon the Property, or if I do not answer, within thirty (30) days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which is owed to Lender under the Note, that use will not delay the due date or change the amount of any of the monthly payments under the Note. However, Lender and I may agree in writing to those delays or changes.

#### CONTINUATION OF OWNER'S OBLIGATIONS AND OF LENDER'S RIGHTS.

**Owner's Obligations.** Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Security Instrument. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Security Instrument.

Lender may allow delays or changes for a person who takes over my rights and obligations, even if Lender is not requested to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Security Instrument, even if Lender is requested to do so.

**Lender's Rights.** Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right to demand immediate payment in full of the amounts that are owed to Lender under the Note or under this Security Instrument.

**OWNER'S OBLIGATIONS AND THOSE OF PERSONS TAKING OVER OWNER'S OBLIGATIONS.** Any person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

If more than one person signs this Security Instrument as Owner, each of us is fully obligated to keep all of Owner's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together.

**LOAN CHARGES.** If the Note secured by this Security Instrument is subject to a law which sets maximum Note charges, and that law is finally interpreted so that the interest or other Note charges collected or to be collected in connection with the Note exceed permitted limits: (A) any such charge will be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from me which exceeded permitted limits will be refunded to me. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

**LEGISLATION AFFECTING LENDER'S RIGHTS.** If a change in applicable law would make any provision of the Note or this Security Instrument unenforceable, Lender may require immediate payment in full of all Sums Secured by this Security Instrument as that phrase is defined above. If Lender requires immediate payment in full under this Paragraph, Lender will take the steps and may act as specified below.

**NOTICES REQUIRED UNDER THIS SECURITY INSTRUMENT.** Any notice that must be given to me under this Security Instrument will be given by delivering it or by mailing it by first class, certified or registered mail unless applicable law requires use of another method. The notice will be addressed to me at the address shown at the beginning of this Security Instrument. A notice will be given to me at a different address if I give Lender notice of my different address. Any notice that must be given to Lender under this Security Instrument will be given by mailing it to the Lender's address shown at the beginning of this Security Instrument. A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Security Instrument is given when it is mailed or when it is delivered according to the requirements of this Paragraph or of applicable law.

**LAW THAT GOVERNS THIS SECURITY INSTRUMENT.** This Security Instrument will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Maine without regard to its conflicts of law provisions. This Security Instrument has been accepted by Lender in the State of Maine.

**CHOICE OF VENUE.** If there is a lawsuit, I agree upon Lender's request to appear in the courts of Penobscot County, State of Maine.

**OWNER'S COPY.** I will be given one conformed copy of the Note and of this Security Instrument.

**AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED.** Lender may require immediate payment in full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. Lender also may require immediate payment in full if a beneficial interest in Owner is sold or transferred and Owner is not a natural person. However, Lender will not require immediate payment in full if this is prohibited by federal law as of the date of this Security Instrument.

If Lender requires immediate payment in full under this Paragraph, Lender will give me a notice which states this requirement. The notice will give me at least thirty (30) days to make the required payment. The 30-day period will begin on the date the notice is mailed or delivered. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

**OWNER'S RIGHT TO HAVE LENDER'S ENFORCEMENT OF THIS SECURITY INSTRUMENT DISCONTINUED.** Even if Lender has required immediate payment in full, I may have the right to have enforcement of this Security Instrument discontinued. I will have this right at any time before sale of the Property under any power of sale granted by this Security Instrument or at any time before a judgment has been entered enforcing this Security Instrument if I meet the following conditions:

I pay to Lender the full amount that would have been due under this Security Instrument and the Note if Lender had not required immediate payment in full; and

I correct my failure to keep any of my other promises or agreements made in this Security Instrument; and

I pay all of Lender's reasonable expenses in enforcing this Security Instrument including, for example, attorneys' fees; and

I do whatever Lender reasonably requires to assure that Lender's rights in the Property are secure. Lender's rights under this Security Instrument, and my obligations under the Note and under this Security Instrument continue unchanged.

If all of the conditions in this Paragraph are fulfilled, then the Note and this Security Instrument will remain in full effect as if immediate payment in full had never been required. However, I will not have the right to have Lender's enforcement of this Security Instrument discontinued if Lender has required immediate payment in full under the Paragraph titled "LEGISLATION AFFECTING LENDER'S RIGHTS" or the paragraph titled "AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED" above.

#### NON-UNIFORM COVENANTS

I also promise and agree with Lender as follows:

**LENDER'S RIGHTS UPON DEFAULT.** If I am in default under this Security Instrument, this is what Lender may do, in addition to any other rights or remedies provided by law:

**Accelerate Payment.** Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Security Instrument. If all the conditions stated in subparagraphs (1), (2), and (3) of this Paragraph are met, Lender may do this without making any further demand for payment. This requirement is called "immediate payment in full."

Lender may also require immediate payment in full if any of the events described in the Paragraph titled "LEGISLATION AFFECTING LENDER'S RIGHTS" or in the Paragraph titled "AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR

TRANSFERRED" occur, even if the conditions stated in subparagraphs (1), (2) and (3) below are not met.

If Lender requires immediate payment in full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale." In any lawsuit for foreclosure and sale, Lender will have the right to collect all costs allowed by law. These costs include attorneys' fees and costs of title evidence.

Lender may require immediate payment in full under this paragraph only if all of the following conditions are met:

- (1) I fail to keep any promise or agreement made in this Security Instrument, including the promise to pay when due the Sums Secured.
- (2) Lender sends to me, in the manner described above, a notice that states (a) The promise or agreement that I failed to keep; (b) The action that I must take to correct that default; (c) A date by which I must correct the default. That date must be at least thirty (30) days from the date on which the notice is given; (d) That if I do not correct the default by the date stated in the notice, Lender may require immediate payment in full, and Lender or another person may acquire the Property by means of foreclosure and sale; (e) That if I meet the conditions stated in the Paragraph titled "OWNER'S RIGHT TO HAVE LENDER'S ENFORCEMENT OF THIS SECURITY INSTRUMENT DISCONTINUED" above, I will have the right to have Lender's enforcement of this Security Instrument discontinued and to have the Note and this Security Instrument remain fully effective as if immediate payment in full had never been required; and (f) That I have the right in any lawsuit for foreclosure and sale to argue that I did keep all promises and agreements under the Note and under this Security Instrument, and to present any other defenses that I may have.
- (3) I do not correct the default stated in the notice from Lender by the date stated in that notice.

**Lender's Rights to Rental Payments and to Take Possession of the Property.** If Lender requires immediate payment in full, or if I abandon the Property, then Lender, persons authorized by Lender, or a receiver appointed by a court at Lender's request may: (1) collect the rental payments, including overdue rental payments, directly from the tenants; (2) enter on and take possession of the Property; (3) manage the Property; and (4) sign, cancel and change leases. If Lender notifies the tenants that Lender has the right to collect rental payment Lender has the right to collect rental payment directly from them under this Paragraph, I agree that the tenants may make those rental payments to Lender without having to ask whether I have failed to keep my promises and agreements under this Security Instrument. All rental payments collected by Lender or by a receiver, other than any rent paid by me, will be used first to pay the costs of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the Sums Secured. The costs of managing the Property may include the receiver's fees, attorneys' fees, and the cost of any necessary bonds.

**Judicial Foreclosure.** Lender may obtain a judicial decree foreclosing my interest in all or any part of the Property.

**My Payment of Rent.** If there is a judgment for Lender in a lawsuit for foreclosure and sale, I will pay to Lender reasonable rent from the date the judgment is entered for as long as I occupy the Property. However, this does not give me the right to occupy the Property.

**Payment During Foreclosure.** I agree that Lender may accept rents from the Property, hazard insurance proceeds, condemnation awards, and any other monies produced by the Property or paid by me, even though Lender has demanded immediate payment in full and has begun foreclosure and sale proceedings. Lender may use such monies to pay off any part of the Sums Secured without affecting Lender's right to continue foreclosure and sale.

**Election of Remedies.** All of Lender's rights and remedies will be cumulative and may be exercised alone or together. An election by Lender to choose any one remedy will not bar Lender from using any other remedy. If Lender decides to spend money or to perform any of my obligations under this Security Instrument, after my failure to do so, that decision by Lender will not affect Lender's right to declare me in default and to exercise Lender's remedies.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Security Instrument, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, all reasonable expenses that Lender incurs, including attorneys' fees, which in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Sums Secured.

**LENDER'S OBLIGATION TO DISCHARGE THIS SECURITY INSTRUMENT.** When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will not be required to pay Lender for the discharge, but I will pay all costs of recording the discharge in the proper official records.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Security Instrument:

**Amendments.** Any alteration or amendment of this Security Instrument shall be in writing.

**Merger.** There shall be no merger of the interest or estate created by this Security Instrument with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Time is of the Essence.** Time is of the essence in the performance of this Security Instrument. This means that all deadlines for performance provided under this Security Instrument must be strictly complied with and that failure to do so will result in a default.

**Waivers and Consents.** Lender shall not waive any rights under this Security Instrument unless the waiver is in writing and signed by Lender. A waiver of any one right will not affect Lender's other rights. Lender will not lose or affect its rights if it delays in enforcing them.

**Waive Jury.** I hereby expressly and voluntarily waive any and all rights, whether arising under the Maine constitution, and any Rules of Civil Procedure, common law or otherwise, to demand a trial by jury in any action, suit, proceeding or counterclaim involving Lender as to any matter, claim or cause of action whatsoever arising out of or in any way related to any agreement or loan with

Loan No: 0681093185

**MORTGAGE  
(Continued)**

Page 6

Lender or any of the transactions contemplated between the parties.  
I ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS SECURITY INSTRUMENT, AND I AGREE TO ITS TERMS.

OWNER:

KATAHDIN COMMUNITY CENTER, LLC

By: [Signature]  
Samuel Guilds Howell, Jr., Member of Katahdin Community Center, LLC  
*Holliswell S/GH*

**LIMITED LIABILITY COMPANY ACKNOWLEDGMENT**

STATE OF Maine

COUNTY OF Penobscot

)  
) SS  
)

On this 25th day of May, 2005, before me, the undersigned Notary Public, personally appeared Samuel Guilds Howell, Jr., Member of Katahdin Community Center, LLC, and known to me to be a member or designated agent of the limited liability company that executed the Mortgage and acknowledged the Security Instrument to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Security Instrument and in fact executed the Security Instrument on behalf of the limited liability company.

By [Signature]  
Notary Public in and for the State of Maine

Residing at Millinocket

My commission expires \_\_\_\_\_

**LONA J. GAGNON**  
Notary Public, Maine

Commission Expires November 9, 2007

LAGN119D Lending, Inc. 1.25.05.005 Copy Notated & Printed Substantially, Inc. 1997, PWS. All Rights Reserved.



**EXHIBIT A**  
**PROPERTY DESCRIPTION**

Certain lots or parcels of land, together with any improvements thereon, situated in **MILLINOCKET**, Penobscot County, State of Maine, and being more particularly described as follows; to wit:

Beginning at a bolt in the northeasterly corner of Lot 15, in Block 23, as delineated on a Plan of Land of Great Northern Paper Company, recorded in Penobscot Registry of Deeds in Plan Book 6, Page 39; thence at right angles in a generally westerly direction by and along the northerly line of said Lot 15, ten (10) feet to a bolt; thence at right angles in a generally northerly direction, ten (10) feet to a bolt; thence at right angles and in a generally westerly direction parallel with the northerly line of said Lot 15, ninety (90) feet to a bolt on the easterly line of Penobscot Avenue, thence at right angles in a generally southerly direction by and along said easterly line of said Penobscot Avenue, ninety-seven and five tenths (97.5) feet to a bolt; thence at right angles in a generally easterly direction and parallel with the southerly side line of Lot 13, as delineated on said Plan; one hundred (100) feet to a bolt on the easterly side line of Lot 12, as delineated on said Plan; thence at right angles and in a generally northerly direction, eighty-seven and five tenths (87.5) feet to the point of beginning.

Being Lots Numbered 13, 14 and 15, and part of Lots Numbered 12 and 16, in Block 23 as delineated on said Plan; and being known by the street number 219-229 Penobscot Avenue.

PENOBSCOT COUNTY, MAINE

*Susan F. Bulay*  
Register of Deeds



# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

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Legislative Document

No. 1683

H.P. 1181

House of Representatives, March 22, 2007

### An Act To Appropriate Funds for the Katahdin Cultural Center

(AFTER DEADLINE)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative CLARK of Millinocket.  
Cosponsored by Senator MARTIN of Aroostook and  
Representatives: BLANCHARD of Old Town, GIFFORD of Lincoln, JOY of Crystal,  
RICHARDSON of Greenville, THOMAS of Ripley, Senators: MILLS of Somerset,  
SHERMAN of Aroostook, SMITH of Piscataquis.