TIF ESTOPPEL CERTIFICATE
(The Highlands, Maine)

October ___, 2024

To: Ventas Healthcare Realty, LLC, its successors and assigns
c/o Ventas, Inc.
500 North Hurstbourne Parkway, Suite 200
Louisville, KY 40222
Attention: Legal Department

From: Town of Topsham
Attention: Mark M. Waltz, Town Manager
100 Main Street
Topsham, ME 04086

Re: Credit Enhancement Agreement, dated June 6, 1996, between the Town of Topsham and 10-16-63 Corp., relating to the Bypass TIF, as amended by the First Amendment to Credit Enhancement Agreement, dated September 16, 1996, by the Second Amendment to Credit Enhancement Agreement, dated September 16, 1999, between the Town of Topsham and 10-16-63 Corp., and by the Third Amendment to Credit Enhancement Agreement, dated July 12, 2005, between the Town of Topsham and 10-16-63 Corp., and as assigned to CPF Highlands Assets LLC, a Delaware limited liability company ("**TIF Holder**") pursuant to that certain Assignment and Assumption of Lease and Contracts dated February 27, 2015 (as amended and assigned, the "**Bypass TIF Agreement**"); and Credit Enhancement Agreement, dated July 12, 2005, between the Town of Topsham and Historic Retirement LLC, relating to the Frost Street TIF, as assigned to TIF Holder pursuant to that certain Assignment and Assumption of Lease and Contracts dated February 27, 2015 (as assigned, the "**Frost TIF Agreement**"; together with the Bypass TIF Agreement, collectively, the "**TIF Agreements**")

Ladies and Gentlemen:

Pursuant to that certain Purchase Agreement dated October 16, 2024 (the "**Purchase Agreement**"), by and among, CPF Highlands Holdings, LLC, a Delaware limited liability company, as owner of all of the equity interests of TIF Holder ("**TIF Seller**"), CPF Cadigan Lodge PropCo LLC, a Delaware limited liability company, and CPF Maine Lodge PropCo LLC, a Delaware limited liability company (together with such other seller entities set forth in the Purchase Agreement, collectively, "**Seller**"), and Ventas Healthcare Realty LLC, a Delaware limited liability company, together with its successors and assigns ("**Purchaser**"), Seller agreed to sell to Purchaser and Purchaser agreed to purchase from Seller, the real property and improvements commonly known as 30 and 54 Governors Way, Topsham, Maine and certain interests related to the surrounding real property and improvements commonly known as the Estates Homes (relating to the Bypass TIF) and Town Hall Village (relating to the Frost Street TIF) (collectively, the "**Property**"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the applicable TIF Agreement.

The undersigned does hereby certify and state (which in the case of items (iv), (v), (vi), (vii), (viii), and (x), below, are to the best knowledge and belief of the undersigned) that:

i. The undersigned is the Town Manager of Town of Topsham, a municipal body corporate and politic and a political subdivision of the State of Maine, the declarant or party charged with the enforcement of provisions under the Agreement (the "**Town**");

ii. The TIF Agreements have not been assigned, modified or amended in any way, except as described below (if no assignments, modifications or amendments have been made, state "NONE"): None except as noted above;

iii. Each of the TIF Agreements is in full force and effect;

iv. A true, correct and complete copy of the Bypass TIF Agreement, together with any and all exhibits and attachments thereto and any and all amendments, modifications and assignments thereof, is attached hereto as **Exhibit A**;

v. A true, correct and complete copy of the Frost TIF Agreement, together with any and all exhibits and attachments thereto and any and all amendments, modifications and assignments thereof, is attached hereto as **Exhibit B**;

vi. There are no sums due and owing to the Town under either of the TIF Agreements, including without limitation, any type of assessment, special or otherwise, except as set forth below: None;

vii. The Property complies with all of the terms, covenants and conditions of the applicable TIF Agreement;

viii. There are no current, pending or contemplated annual or special assessments applicable to the Property;

ix. There is no default under either of the TIF Agreements by TIF Holder or TIF Seller and no matter which, with the passage of time, would become a default of TIF Holder or TIF Seller thereunder;

x. There are no offsets or defenses due to the Town and, to the best knowledge of the undersigned, to any other party under the TIF Agreements;

xi. No controversy presently exists among any of the parties to the TIF Agreements, including any litigation or arbitration, concerning the Property, any of the TIF Agreements or the performance of the terms thereof or any other matter;

xii. The Town acknowledges that pages containing Article II and a portion of Article III of the fully executed Frost TIF Agreement cannot be located, and hereby confirms and agrees that the terms and conditions set forth in Article II and Section 3.1 of the form of Credit Enhancement Agreement attached as Exhibit D to that certain "Town of Topsham, Maine: First Amendment to Bypass Municipal Development and Tax Increment Financing District Development Program and The Frost Street Municipal

Development and Tax Increment Financing District Development Program" adopted on March 3, 2005, a copy of which is attached hereto as **Exhibit C**, correctly represent the terms and provisions contained in the missing pages of the Frost TIF Agreement. The Town hereby agrees to execute such documents as reasonably required by TIF Holder or Purchaser to evidence and effectuate the terms and provisions contained in the missing pages of the Frost TIF Agreement, including without limitation an amended and restated Frost TIF Agreement or side letter agreement.

xiii. Upon receipt of notice of the consummation of the assignment of each of the TIF Agreements to Purchaser (or its designated assignee), the Town acknowledges and agrees that it will remit payments due to the owner of the Property to Purchaser (or its designated assignee), as applicable, including with respect to tax reimbursements attributable to the 2024-2025 fiscal year, at:

CPF Highlands Assets, LLC
VOP The Highlands, LLC
c/o Ventas, Inc.
500 North Hurstbourne Parkway, Suite 200
Louisville, KY 40222
Attention: Tax Department

xiv. The address for notices and communications to be sent to the undersigned and to Purchaser is as follows, respectively:

Town of Topsham
Attention: Mark M. Waltz, Town Manager
100 Main Street
Topsham, ME 04086
Phone (207) 725-5821
Fax (207) 725-1731

Ventas Healthcare Realty, LLC
CPF Highlands Assets, LLC
VOP The Highlands, LLC
c/o Ventas, Inc.
500 North Hurstbourne Parkway, Suite 200
Louisville, KY 40222
Attention: Legal Department

[Signature page follows]

The undersigned acknowledges and agrees that this Estoppel may be relied upon by, and shall inure to the benefit of TIF Holder, TIF Seller, Seller, Purchaser, Purchaser's lenders, and their respective successors and assigns.

Best regards,

THE TOWN OF TOPSHAM,
a municipal body corporate and politic and a political subdivision of the State of Maine

By: _____
Name: _____
Title: _____

EXHIBIT A

BYPASS TIF AGREEMENT

See attached.

CREDIT ENHANCEMENT AGREEMENT

THIS CREDIT ENHANCEMENT AGREEMENT, dated as of June 6th, 1996, between the Town of Topsham, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine (the "Town"), and 10-16-63 Corp., a Maine corporation and The Highlands Limited Liability Company, a Maine limited liability company and Highlands Retirement Community Limited Partnership, a Maine limited partnership (collectively the "Developer"), each with a principal place of business in Topsham, Maine,

W I T N E S S E T H T H A T

WHEREAS, the Town designated the Bypass Municipal Development District and Tax Increment Financing District (the "District") pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, by vote at Town Meeting held May 15, 1996 (the "Vote") and pursuant to the same Vote adopted a development program and financial plan for the District (the "Development Program"), and

WHEREAS, the Maine Department of Economic and Community Development has reviewed and accepted the District and the Development Program, and

WHEREAS, the Development Program contemplates the execution and delivery of a credit enhancement agreement between the Town and the Developer; and

WHEREAS, the Town approved the execution and delivery of the credit enhancement agreement described in the Development Program pursuant to a resolution of the Board of Selectmen, adopted June 6, 1996; and

WHEREAS, the Town and the Developer desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated and described in the Development Program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

"Agreement" shall mean this Credit Enhancement Agreement between the Town and the Developer.

"Developer" means collectively The Highlands Limited Liability Company, a Maine limited liability company, the Highlands Retirement Community Limited Partnership, a Maine limited partnership, and 10-16-63 Corp, a Maine corporation with a place of business in Topsham, Maine.

"Development Program" means the development program for the District as adopted by the voters of the Town at Town Meeting held on May 15, 1996.

"Development Program Fund" means the development program fund described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article II hereof.

"District" means the Bypass Municipal Development District and Tax Increment Financing District designated by the Town pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, by vote at Town Meeting held May 15, 1996.

"Financial Plan" means the financial plan described in the "Financial Plan" section of the Development Program.

"Fiscal Year" means July 1 to June 30 each year or such other fiscal year as the Town may establish from time to time.

"Original Assessed Value" means the assessed value of the District as of March 31, 1995.

"Project" means the design, planning, development, acquisition, construction and installation of capital improvements at the Developer's facilities located now and hereafter within the District and as described as the Capital Program in the Development Program.

"Project Cost Account" means the project cost account described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article IV hereto.

"Property Taxes" means any and all ad valorem property taxes levied, charged or assessed against real or personal property by the Town or on its behalf.

"Public Improvements" means and refers to any public improvements undertaken by the Town in the District other than the Public Improvements to be constructed by Developer as described in the Development Program.

"Qualified Investments" shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law.

"Retained Tax Increment Revenues" means that portion of the property tax revenues with respect to property in the District retained pursuant to the terms of the Development Program.

"Sinking Account" means the development sinking fund account; as the Town will not issue any bonds to pay costs of the Development Program, no funds will be deposited in the Sinking Account.

"Town" means the Town of Topsham, Maine, a municipality duly organized and existing under the laws of the State of Maine.

"Tax Payment Date" means the date(s) on which property taxes levied by the Town are due and payable from owners of property located within the Town.

Section 1.2 Interpretation and Construction. In this Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(f) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II

DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1 Creation of Development Program Fund. The Town hereby confirms the creation and establishment of a segregated fund in the name of the Town designated as the "Bypass Development District and Tax Increment Financing District Development Program Fund" (the "Development Program Fund") pursuant to, and in accordance with the terms and conditions of the Development Program. The Development Program Fund shall consist of the Project Cost Account and the Sinking Account.

Section 2.2 Deposits into Development Program Fund. The Town shall deposit into the Project Cost Account of the Development Program Fund contemporaneously with each payment of Property Tax by Developer during the term of the District an amount equal to that portion thereof constituting Retained Tax Increment Revenues for the period to which the payment relates and shall allocate the amount so deposited in the following manner and order of priority: first, to fund fully and pay the payments due to Developer under Article III of this Credit Enhancement Agreement, both past due, if any, and coming due within the following 12 months; and second, to fund fully and pay any costs of Public Improvements. Any and all revenues resulting from investment of monies on deposit in the Development Program Fund shall be retained therein and shall be reinvested and otherwise applied to the purposes for which the Development Program Fund is dedicated.

Section 2.3 Use of Monies in Development Program Fund. Monies deposited in the Development Program Fund shall be used and applied exclusively to fund the Town's payment obligation described in Article III hereof, and the remainder applied to payment of costs of Public Improvements.

Section 2.4 Monies Held in Trust. All monies required to be deposited with or paid into the Project Cost Account of Development Program Fund to fund payments of the Developer under the provisions hereof and the provisions of the Development Program, and all investment earnings thereon shall be held by the Town in trust, for the benefit of the Developer.

Section 2.5 Investments. The monies in the Development Program Fund shall be invested and reinvested in Qualified Investments as determined by the Town. The Town shall have discretion regarding the investment of such monies, provided such monies are invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the Town shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The Town shall have the sole and exclusive right to

designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Development Program Fund.

Section 2.6 Liens. The Town shall not create any liens, encumbrances, or other interests of any nature whatsoever, nor shall it hypothecate the Project Cost Account of the Development Program Fund or any funds therein, other than (a) the interest granted to the Developer hereunder in and to the amounts on deposit; and (b) the interest of the Town in amounts deposited in the Project Cost Account intended to pay directly for costs of Public Improvements and remaining therein after the payments to the Developer required hereunder.

ARTICLE III

PAYMENT OBLIGATIONS

Section 3.1 Credit Enhancement Payments. The Town agrees to pay to the Developer within 15 days following such Tax Payment Date or the date payment is actually received by the Town from the Developer, whichever is later, payments equal to the Retained Percentage as hereafter defined for each fiscal year of the Town beginning with the fiscal year of the Town ending June 30, 1997 and continuing with each fiscal year of the Town thereafter through and including June 30, 2016. The Retained Percentage for each Fiscal Year shall mean (a) as to the land and all buildings and improvements now or hereafter located thereon of The Highlands Limited Liability Company, its successors and assigns, described in Schedule A hereto (the "LLC Property") 60% of all real and personal property taxes assessed by the Town upon the valuation amount by which the assessed value of the LLC Property for the applicable fiscal year exceeds the assessed value of the Property as of March 31, 1995; (b) as to the land and all buildings and improvements now or hereafter located thereon of 10-16-63 Corp., its successors and assigns, described in Schedule B hereto (the "63 Corp. Property"), 60% of all real and personal property taxes assessed by the Town upon the valuation amount by which the assessed value of the 63 Corp. Property for the applicable fiscal year exceeds the assessed value of the 63 Corp. Property as of March 31, 1995; and (c) as to the land and all buildings and improvements, now or hereafter, located thereon of Highlands Retirement Community Limited Partnership described in Schedule C hereto (the "Highlands Property"), 60% of all real and personal property taxes assessed by the Town upon the valuation amount by which the assessed value of the Highlands Property for the applicable fiscal year exceeds the assessed value of the Highlands Property as of March 31, 1995. The Town shall make all such payments (a) with respect to the LLC Property to The Highlands Limited Liability Company, its successors and assigns; (b) with respect to the 63 Corp. Property to 10-16-63 Corp., its successors and assigns; and (c) with respect to the Highlands Property, to the Highlands Retirement Community Limited Partnership, its

successors and assigns. The obligation of the Town to make such payments shall be a limited obligation payable solely out of monies actually on deposit in the Development Program Fund and shall not constitute a general debt or obligation on the part of the Town or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine or any political subdivision thereof.

Section 3.2 Failure to Make Payment. In the event the Town should fail to, or be unable to, make any of the payments required under Section 3.1 hereof, the item or installment so unpaid shall continue from year-to-year, as a limited obligation of the Town, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid and the Town agrees to pay the same with interest thereon at the rate of eight (8%) percent per annum, but only from Retained Tax Increment Revenues paid to the Town by the Developer from time to time, and any earnings thereon, whether or not deposited into the Development Program Fund. Payments shall be applied first against accrued interest and then against principal. The Developer shall have the right to initiate and maintain an action to specifically enforce the Town's obligations hereunder, including without limitation, the Town's obligation to deposit all Retained Tax Increment Revenues to the Development Program Fund and its obligation to make payments to the Developer.

Section 3.3 Manner of Payments. The payments provided for in this Article III shall be paid in immediately available funds directly to the Developer in the manner provided hereinabove for its own use and benefit.

Section 3.4 Obligations Unconditional. Except as directly provided herein, the Obligations of the Town to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Developer. The Town shall not suspend or discontinue any such payment or terminate this Agreement for any cause, including without limitation, any acts or circumstances that may constitute failure of consideration or frustration of purpose or any damage to or destruction of the Project or any change in the tax or other laws of the United States, the State of Maine or any political subdivision of either thereof, or any failure of the Developer to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement or the Development Program.

Section 3.5 Limited Obligation. The Town's obligations of payment hereunder shall be limited obligations of the Town payable solely from monies on deposit in the Development Program Fund, and any earnings thereon, pledged therefor under this Agreement. The Town's obligations hereunder shall not constitute a general debt or a general obligation or charge

against or pledge of the faith and credit or taxing power of the Town, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of the Retained Tax Increment Revenues payable to the Developer hereunder, and any earnings thereon, whether or not actually deposited into the Development Program Fund. This Agreement shall not directly or indirectly or contingently obligate the Town, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation or to levy or to make any appropriation for their payment, excepting the Town's obligation to levy property taxes upon the Project and the pledge of the Retained Tax Increment Revenues, and earnings thereon, established under this Agreement.

Section 3.6. Escrow: Notwithstanding the other provisions of this Article, until substantial completion of construction of the Basic Improvements, as hereafter defined, funds in the Project Cost Account of the Development Program Fund shall be held in escrow therein and upon such substantial completion of construction, all funds accumulated in such Project Cost Account shall be released and paid to Developer and this Section 3.6 shall be of no further force or effect. All funds held in the Project Cost Account under this Section shall be invested as directed by the Town and all accumulated interest and earnings thereon shall be released and paid to Developer upon substantial completion of construction of the Basic Improvements. The Basic Improvements shall mean (a) a new 12" water line from the existing 12" main in Main Street along the Bypass to the intersection described in (b) below and the public road described in (d) below, and sewer lines and an 8" water line from the existing end of Governor's Way through all extensions thereof built to the water line standards of the Brunswick-Topsham Water District; (b) public intersection and utility sleeving for future service to areas northerly of the new Brunswick-Topsham Bypass built to the standards of the Maine Department of Transportation; (c) 600 foot road connecting the Bypass to the Topsham Fairgrounds and land of 63 Corp. built to the public road standards of the Town; (d) 600 foot road connecting the road described in (c) above through land of 63 Corp. built to the public road standards of the Town; and (e) extension of water and sewer lines from the existing end of Governor's Way to the road described in (d) above built to the applicable requirements of the Brunswick-Topsham Water District and the Topsham Sewer District. As set forth in the Development Program, upon written approval by the Municipal Officers of the Town, other improvements of equal or greater cost and public benefit may be substituted for any of the Basic Improvements and upon such written approval, such substituted improvements shall be deemed to be the Basic Improvements for purposes of this Agreement. The Municipal Officers have exercised such authority pursuant to the Development Program to substitute the improvements described in (a) above for the 12" water main from Elm Street to the existing end of Governor's Way described in the Development Program, and the Town acknowledges that Developer is not required to install a 12" water main in Governor's Way.

Developer shall submit evidence of such substantial completion as reasonably required by the Town from time to time. Notwithstanding the foregoing, prior to substantial completion of construction of the Basic Improvements, funds will be released and paid to Developer from the Project Cost Account to the extent of Developer's actual costs (as documented by invoices) of the Basic Improvements, including, without limitation, costs of construction, clearing and grading land, materials, professional services, including architectural, planning, engineering and legal and other services and expenses necessary or appropriate to construct the Basic Improvements. If all of the Basic Improvements are not substantially completed within five (5) years of the designation of the District by the Commissioner of Economic and Community Development, then the Development Program shall consist of the Basic Improvements so completed by Developer within such five (5) year period and the percentages set forth in Section 3.1 shall be reduced to an amount sufficient to reimburse Developer solely for the costs of the Public Improvements actually expended by Developer during such five (5) year period.

ARTICLE IV

PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of Development Program Fund. In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Developer by the Town, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the Town's covenants and agreements contained herein, the Town does hereby grant a security interest in and pledge to the Developer the Project Cost Account of the Development Program Fund to the extent of Developer's Rights under this Agreement to receive funds from such Project Cost Account subject, however, to the rights of the Town under Section 3.6 (Escrow) and all sums of money and other securities and investments now or hereafter therein.

Section 4.2. Perfection of Interest. The Town shall cooperate with the Developer in causing appropriate financing statements and continuation statements naming the Developer as pledgee of all amounts from time to time on deposit in the Development Program Fund to be duly filed and recorded in he appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder.

Section 4.3. Further Instruments. The Town shall, upon the reasonable request of the Developer, from time to time execute and deliver such further instruments and take such

further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the Town.

Section 4.4. No Disposition of Development Program Fund. Except as permitted hereunder, the Town shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Development Program Fund and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part hereof not permitted hereby.

Section 4.5. Access to Books and Records. All books, records and documents in the possession of the Town relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Development Program Fund shall at all reasonable times be open to inspection by the Developer, its agents and employees.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.1. Events of Default. Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default:"

(a) any failure by the Town to pay any amounts due to Developer when the same shall become due and payable;

(b) any failure by the Town to make deposits into the Development Program Fund and/or the Project Cost Account as and when due;

(c) any failure by the Town or the Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the Town or the Developer to be observed or performed, provided, however, that failure of Developer to pay Property Taxes when due shall not constitute an event of default hereunder; or

(d) if a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding up or liquidation of the Town's affairs shall have been entered against the Town or the Town shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or

relating to the Town or of or relating to all or substantially all of its property, including without limitation, the filing of a voluntary petition in bankruptcy by the Town or the failure by the Town to have a petition in banking dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Town.

Section 5.2. Remedies on Default. Whenever any Event of Default referred to in Section 6.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps:

(a) the non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or convenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and

(b) The Developer shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine.

Section 5.3. Remedies Cumulative. No remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the Town with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

ARTICLE VI

EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term. This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof and shall expire upon the payment of all amounts due to the Developer hereunder and the performance of all obligations on the part of the Town and the Developer hereunder.

Section 6.2. Cancellation and Expiration of Term. At the termination or other expiration of this Agreement and following full payment of all amounts due and owning to the Developer hereunder or provision for payment thereof and of all other fees and charges having been made in accordance with the provisions to this Agreement, the Town and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII
ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge and/or Assignment. The Town hereby acknowledges that it is the intent of the Developer to pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this intention, the Town does hereby consent and agree to the pledge and assignment of all the Developer's (or the pledge and assignment by any one Developer of its) right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof.

Section 7.2. Pledge, Assignment or Security Interest. The Town hereby consents to the pledge, assignment or granting of a security interest by the Developer (or the pledge and assignment by any one Developer) of its right, title and interest in, to and under this Agreement. The Town agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective pledgee or assignee, including without limitation, recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to the pledgee or assignee such rights and/or remedies as it may deem necessary for the establishing, perfection and protection of its interest herein.

Section 7.3. Assignment. The Developer (or any one Developer as to its rights and interest hereunder) shall have the unrestricted right to transfer and assign all or any portion of its rights in, to and under this Agreement, at any time, and from time to time, as Developer may, in its sole discretion, deem appropriate.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Successors. The covenants, stipulations, promises and agreements set forth herein shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 8.2. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.3. No Personal Liability of Officials of the Town. No covenant, stipulation, obligation or agreement of the Town contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the Town in his individual capacity and neither the members of the Board of Selectmen of the Town nor any official, officer, employee or agent of the Town shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.5. Governing Law. The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.6. Notices. All notices, certificates, requests, requisitions or other communications by the Town or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the Town:

Town Manager
Town of Topsham
22 Elm Street
Topsham, Maine 04086

If to the Developer:

10-16-63 Corp.
26 Elm Street
Topsham, Maine 04086

and
The Highlands Limited Liability Company
26 Elm Street
Topsham, Maine 04086
and
Highlands Retirement Community Limited Partnership
26 Elm Street
Topsham, Maine 04086

Any of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.7. Amendments. This Agreement may be amended only with the concurring written consent of the parties hereto.

Section 8.8. Net Agreement. This Agreement shall be deemed and construed to be a "net agreement," and the Town shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, deductions or setoffs.

Section 8.9. Benefit of Assignees or Pledgees. The Town agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the Town as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Developer's right, title and interest herein.

Section 8.10. Integration. This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written or oral, between the Town and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

IN WITNESS WHEREOF, the Town and the Developer have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

WITNESS

TOWN OF TOPSHAM

By: _____
Member, Board of Selectmen

By: _____
Member, Board of Selectmen

By: _____
Member, Board of Selectmen

By: _____
Member, Board of Selectmen

By: _____
Member, Board of Selectmen

10-16-63 CORP.

By: _____
John B. Wasileski
Its President

THE HIGHLANDS LIMITED LIABILITY COMPANY
By: Sea Coast Management Company
Its Manager

By: _____
John B. Wasileski
Its President

HIGHLANDS RETIREMENT COMMUNITY LIMITED PARTNERSHIP

By: _____
John B. Wasileski
Its General Partner

WPPRAE:2484/9

SCHEDULE A

LLC Property

A certain lot or parcel of land located in the Town of Topsham, County of Sagadahoc, State of Maine, situated northeasterly of Elm Street being Parcel 3 as shown on the Second Amendment to Plan of Subdivision of Property of 10-16-63 Corp. by Paul H. Ruopp, Jr., Land Surveying and Mapping in association with Sitelines, Inc., dated September 26, 1995 and recorded in the Sagadahoc County Registry of Deeds, Plan Book 31, Page 76 (hereinafter the "Amended Subdivision Plan") and being bounded and described as follows:

Commencing at a point of beginning located as follows: commencing at an existing granite monument on the northerly side of Elm Street at the southeasterly corner of the parcel of land described in Schedule B of the deed from Merreal Corp. to 10-16-63 Corp. dated December 31, 1990 and recorded in the Sagadahoc County Registry of Deeds, Book 1045, Page 262; thence on a Grid North Bearing (Maine State Plane Coordinate System West Zone, 1983) N 13° 22' 56" E 988.78 feet along the northwesterly line of land now or formerly of Sagadahoc Agricultural and Horticultural Society described in the deed recorded in said Registry, Book 152, Page 357 to the southeasterly corner of the premises described in the Memorandum of Ground Lease, dated June 15, 1994 and recorded in the Sagadahoc County Registry of Deeds, Book 1311, Page 234 relating to the Ground Lease, dated as of May 1, 1994 between 10-16-63 Corp. and the Highlands Homeowners Corporation; thence N 77° 26' 24" W along said leased land 177.04 feet to the point of beginning;

Thence from said point of beginning N 12° 33' 36" E 164.36 feet; thence westerly and northwesterly 99.39 feet along Governor's Lane on an arc of a non tangent curve concave southwesterly having a radius of 195.00 feet through a central angle of 29° 12' 07" to the point of tangency of said curve; thence N 76° 53' 43" W along said Governor's Lane 77.05 feet; thence westerly and northwesterly along said Governor's Lane 209.62 feet along an arc of a curve concave northeasterly having a radius of 190.00 feet through a central angle of 63° 12' 47" to a capped 5/8 inch diameter reinforcing bar set; thence by a non tangent line to said curve, S 79° 36' 17" W along said leased land 198.93 feet to a capped 5/8 inch diameter reinforcing bar set; thence S 11° 35' 58" E 323.68 feet to a capped 5/8" reinforcing bar and land described in the deed from CLL-2, Inc. to Highlands Retirement Community Limited Partnership, dated December 31, 1990 and recorded in said Registry, Book 1045, Page 265; thence N 15° 25' 29" E 304.96 feet along said Highlands land to a 5/8" reinforcing bar; thence S 74° 34' 30" E 79.94 feet along said Highlands land; thence S 15° 23' 18" W 224.53 feet; thence S 77° 26' 24" E 307.18 feet to the point of beginning.

SCHEDULE B

63 Corp. Property

Parcel I:

The property described in (a) Schedule B of the deed from Merreal Corp. to 10-16-63 Corp. dated December 31, 1990 but excepting the portions thereof (i) described in the deed from 10-16-63 Corp. to Highlands Retirement Community Limited Partnership, dated November 8, 1995 and record in the Sagadahoc County Registry of Deeds, Book 1380, Page 209; (ii) described in the deed from 10-16-63 Corp. to The Highlands Limited Liability Company, dated November 8, 1995 and recorded in the Sagadahoc County Registry of Deeds, Book 1380, Page 200; and (iii) any part there of that is part of the new State Highway "17" also known as the Topsham By-Pass or that is located northerly of said State Highway 17.

Said Parcel I consists of Parcel 4 as shown on the Second Amendment to Plan of Subdivision of Property, dated September 26, 1995, recorded in the Sagadahoc County Registry of Deed, Plan 31, Page 76 and the land of 10-16-63 Corp. located northerly of said Parcel 4 and southerly of new State Highway "17".

Parcel II:

The property described in the deed from Richard C. Trott, Jr. et al. to 10-16-63 Corp., dated February 12, 1996 and recorded in the Sagadahoc County Registry of Deeds, Book 1396, Page 335.

Parcel III:

The property described in the deed to 10-16-63 Corp., dated February 9, 1996 and recorded in the Sagadahoc County Registry of Deeds, Book 1406, Page 307.

WPPRAE:2484

SCHEDULE C

Highlands Property

The ½ acre of land owned by Highlands Retirement Community Limited Partnership, its successors and assigns, on which the community building is anticipated to be built, bounded and described as follows:

A certain lot or parcel of land located northerly of Elm Street in Topsham, Maine, bounded and described as follows:

Commencing at a point located N 77°26'24" W a distance of 115.68 feet from the southeasterly corner of Parcel 3 as shown on the Second Amendment to Plan of Subdivision of Property of 10-16-63 Corp. recorded in the Sagadahoc County Registry of Deeds, Plan Book 31, Page 76; thence continuing N 77°26'24" W a distance of 40 feet along said Parcel 3 to the point of beginning;

Thence from said point of beginning N 77°26'24" W a distance of 147.58 feet along said Parcel 3; thence S 15°23'18" W a distance of 147.58 feet; thence S 77°26'24" E a distance of 147.58 feet; thence N 15°23'18" E a distance of 147.58 feet to the point of beginning. Containing ½ acre, more or less.

WPPRAE:2484

FIRST AMENDMENT TO CREDIT ENHANCEMENT AGREEMENT

WHEREAS, the Town of Topsham, Maine (the "Town"), 10-16-63 Corp., a Maine corporation, The Highlands Limited Liability Company, a Maine limited liability company and Highlands Retirement Community Limited Partnership, a Maine limited partnership (collectively the "Developer") entered a Credit Enhancement Agreement, dated June 6, 1996 (the "Agreement") pursuant to the Bypass Municipal Development and Tax Increment Financing District Development Program adopted by the Town on May 15, 1996 (the "Development Program");

WHEREAS, the parties now desire to amend the Agreement;

NOW, THEREFOR, for value received, the Town and the Developer hereby agree as follows:

1. Section 3.6 of the Agreement provides that the Developer shall construct the Basic Improvements as defined therein and further provides as authorized by Section 2.03 of the Development Program that, upon the approval of the Municipal Officers, other improvements of equal or greater cost and public benefit may be substituted for any of the Basic Improvements and upon such written approval, such substituted improvements shall be deemed to be the Basic Improvements for purposes of the Agreement.

The current cost estimates for the 12" water line are greater than originally anticipated. In addition, the Developer now has proposed to locate the road connecting the Bypass to the Fairgrounds in an area in the District approved by the Board of Selectmen of the Town and to shorten the length of the proposed public road connecting the Bypass to the Fairgrounds, and to areas intended for future commercial development.

A comparison of the estimated costs is as follows:

	Estimated Costs Per Section 2.03 of Development Program		Estimated Costs of Amended Basic Improvements
1200' Public Road, Intersection, Utility sleeves, 12" water main	$360,000	800' Foot Public Road; intersection, utility sleeves, 12" water main	$420,000
Water/Sewer/ utility lines from Governor's Way	$535,500	water/sewer utility lines from Governor's Way	$535,500
Total	$895,500	Total	$955,500

The Town and the Developer hereby amend the definition of the Basic Improvements as set forth in third sentence of Section 3.06 of the Agreement to provide that the Basic Improvements shall mean the following: (a) new 12" water line from the existing 12" main in Main Street along the Bypass to the intersection described in (b) below and the public road described in (c) below and built to the water line standards of the Brunswick-Topsham Water District; (b) public intersection and utility sleeving for future service to areas northerly of the new Brunswick-Topsham Bypass built to the standards of the Maine Department of Transportation; (c) 800 foot road connecting the Bypass to the Topsham Fairgrounds and land of 63 Corp. built to the public road standards of the Town and a road connecting the road described above through land of 63 Corp. built to the public road standards of the Town; and (d) extension of 8" water and sewer lines from the existing end of Governor's Way to the road described in (c) above built to the applicable requirements of the Brunswick-Topsham Water District and the Topsham Sewer District. If the additional costs of the improvements described in (a), (b), and (c) are less than $360,000, the Developer shall construct a longer public road or other public improvements, approved by the Municipal Officers so that at least $360,000 is expended by Developer for such purposes.

The Town hereby finds that the above described Basic Improvements are of equal or greater cost and public benefit as those contemplated by the Development Program and therefor the above defined Basic Improvements are hereby substituted for those described in the Development Program and the Agreement. As set forth in the Development Program, upon written approval by the Municipal Officers of the Town, other improvements of equal or greater cost and public benefit may be substituted for any of the Basic Improvements described above and upon such written approval, such substituted improvements shall be deemed to be the Basic Improvements for purposes of the Agreement.

The undersigned 10-16-63 Corp., Highlands Retirement Community Limited Partnership and The Highlands Limited Liability Company acknowledge that the costs of the Basic Improvements will be paid by 10-16-63 Corp. and, therefor, Highlands Retirement Community Limited Partnership and The Highlands Limited Liability Company hereby transfer and assign, pursuant to Section 7.3 of the Agreement, to 10-16-63 Corp., its successors and assigns, the right to receive all payments pursuant to Section 3.6 of the Agreement and hereby direct that all payments by the Town pursuant to Section 3.6 of the Agreement be made to 10-16-63 Corp., its successors and assigns. It is further anticipated that Bath Savings Institution (the "Bank") will provide a loan or loans to 10-16-63 Corp. to fund costs of some and possibly all of the Basic Improvements. In accordance with Article VII of the Agreement, the Town consents to the assignment by 10-16-63 Corp. of all its rights under the Agreement (including all rights of payments) to the Bank for the purpose of financing the construction of the Basic Improvements or a portion thereof and the Developer hereby directs that all payments under the Agreement be made directly to the Bank until written notice otherwise from the Bank.

IN WITNESS WHEREOF, the Town and the Developer have caused this First Amendment to be executed by the undersigned duly authorized officers, all as the 16th day of September, 1996.

WITNESS:

Priscilla N. Hall

TOWN OF TOPSHAM

By: _____
Chairman, Board of Selectmen

10-16-93 CORP.

By: _____
John B. Wasileski
Its President

THE HIGHLANDS LIMITED LIABILITY COMPANY
By: SEA COAST MANAGEMENT COMPANY

By: _____
John B. Wasileski
Its President

HIGHLANDS RETIREMENT COMMUNITY LIMITED PARTNERSHIP

By: _____
John B. Wasileski
Its General Partner

WPPRAE:2461/32

SECOND AMENDMENT TO CREDIT ENHANCEMENT AGREEMENT

WHEREAS, the Town of Topsham, Maine (the "Town"), 10-16-63 Corp., a Maine corporation, The Highlands Limited Liability Company, a Maine limited liability company and Highlands Retirement Community Limited Partnership, a Maine limited partnership (collectively the "Developer") entered a Credit Enhancement Agreement, dated June 6, 1996, as amended on September 16, 1996 (the "Agreement") pursuant to the Bypass Municipal Development and Tax Increment Financing District Development Program adopted by the Town on May 15, 1996 (the "Development Program");

WHEREAS, the parties now desire to amend the Agreement;

NOW, THEREFOR, for value received, the Town and the Developer hereby agree as follows:

1. Section 3.6 of the Agreement provides that the Developer shall construct the Basic Improvements as defined therein and further provides as authorized by Section 2.03 of the Development Program that, upon the approval of the Municipal Officers, other improvements of equal or greater cost and public benefit may be substituted for any of the Basic Improvements and upon such written approval, such substituted improvements shall be deemed to be the Basic Improvements for purposes of the Agreement.

The definition of the Basic Improvements as set forth in third sentence of Section 3.06 of the Agreement, as amended on September 16, 1996, currently provides that the Basic Improvements shall mean the following: "(a) new 12" water line from the existing 12" main in Main Street along the Bypass to the intersection described in (b) below and the public road described in (c) below and built to the water line standards of the Brunswick-Topsham Water District; (b) public intersection and utility sleeving for future service to areas northerly of the new Brunswick-Topsham Bypass built to the standards of the Maine Department of Transportation; (c) 800 foot road connecting the Bypass to the Topsham Fairgrounds and land of 63 Corp. built to the public road standards of the Town and a road connecting the road described above through land of 63 Corp. built to the public road standards of the Town; and (d) extension of 8" water and sewer lines from the existing end of Governor's Way to the road described in (c) above built to the applicable requirements of the Brunswick-Topsham Water District and the Topsham Sewer District. If the additional costs of the improvements described in (a), (b), and (c) are less than $360,000, the Developer shall construct a longer public road or other public improvements, approved by the Municipal Officers so that at least $360,000 is expended by Developer for such purposes."

The definition of the Basic Improvements as set forth in (c) and (d) above is hereby modified in its entirety to provide as follows: (c)(i) a road named "Community Way" (which Developer has dedicated to the Town for public use) connecting the Bypass with the Topsham Fairgrounds and with commercial lots in the District, substantially as shown on the Plan of Subdivision Highlands Estates North, dated February 19, 1999, and recorded in the Sagadahoc County Registry of Deeds, Plan Book 34, Page 42, as the same may be amended from time to time by said Planning Board (the "Plan") built to the public road standards of the Town, provided, however, that in the road leading to the Fairgrounds, the Developer is only required to install a water line built to the applicable standards of the Brunswick-Topsham Water District and no sewer

lines (provided, however, that the sewer will serve the commercial lots created by the Highlands along the Bypass as well as all of the residential Highlands Estates North units); and (d) extension of water and sewer lines from the existing end of Governor's Way to the road described in (c) above built to the applicable requirements of the Brunswick-Topsham Water District and the Topsham Sewer District..

The Town hereby finds that the above described Basic Improvements are of equal or greater cost and public benefit as those contemplated by the Development Program and therefor the above defined Basic Improvements are hereby substituted for those described in the Development Program and the Agreement. As set forth in the Development Program, upon written approval by the Municipal Officers of the Town, other improvements of equal or greater cost and public benefit may be substituted for any of the Basic Improvements described above and upon such written approval, such substituted improvements shall be deemed to be the Basic Improvements for purposes of the Agreement.

IN WITNESS WHEREOF, the Town and the Developer have caused this Second Amendment to be executed by the undersigned duly authorized officers, all as the 16th day of Sept., 1999.

WITNESS:

TOWN OF TOPSHAM

By: _____
Chairman, Board of Selectmen

10-16-63 CORP.

By: _____
John B. Wasileski, Its President

THE HIGHLANDS LIMITED LIABILITY COMPANY
By: SEA COAST MANAGEMENT COMPANY
Its Manager

By: _____
John B. Wasileski, Its President

HIGHLANDS RETIREMENT COMMUNITY LIMITED PARTNERSHIP

By: _____
John B. Wasileski, Its General Partner

RAE/Wasileski/Highlands Estates North Phase II/Documents/Second Amendment to CEA

THIRD AMENDMENT TO CREDIT ENHANCEMENT AGREEMENT

WHEREAS, the Town of Topsham, Maine (the "Town"), 10-16-63 Corp., a Maine corporation ("Developer") The Highlands Limited Liability Company, a Maine limited liability company and Highlands Retirement Community Limited Partnership, a Maine limited partnership entered a Credit Enhancement Agreement, dated June 6, 1996, as amended on September 16, 1996 and September 16, 1999 (the "Agreement") pursuant to the Bypass Municipal Development and Tax Increment Financing District Development Program adopted by the Town on May 15, 1996;

WHEREAS, The Highlands Limited Liability Company and Highlands Retirement Community Limited Partnership have assigned their rights in the Agreement to Developer; and

WHEREAS, the parties now desire to amend the Agreement;

NOW, THEREFORE, for value received, the Town and the Developer hereby agree as follows:

1. For each year of the period beginning on July 1, 2005 and continuing through July 1, 2016, the percentages set forth in Section 3.1 of the Credit Enhancement Agreement shall continue to be 60%, such that the Town each year shall pay to Developer 60% of all real and personal property taxes assessed by the Town upon the valuation amount by which the assessed value of the LLC Property, the 63 Corp. Property and the Highlands Property for each such year exceeds the assessed value of such properties as of March 31, 1995.

2. The date at the end of the first sentence of Section 3.1 of the Agreement is hereby changed from June 30, 2016 to June 30, 2026, and the Town agrees that for each year beginning on July 1, 2016 and continuing through June 30, 2026, the Town shall pay to the Developer 45% of all tax increment revenues (being 45% of all real and personal property taxes assessed by the Town upon the valuation amount by which the assessed value of the LLC Property, the 63 Corp. Property and the Highlands Property for each such year exceeds the assessed value of such properties as of March 31, 1995).

3. All payments due from the Town under the Agreement shall be made to the Developer, its successors and assigns. The Town acknowledges and agrees that the Developer has completed construction to the satisfaction of the Town of the Basic Improvements as defined in Section 3.6 of the Agreement.

IN WITNESS WHEREOF, the Town and the Developer have caused this Third Amendment to be executed by the undersigned duly authorized officers, all as the 12 day of July, 2005.

WITNESS:

Rose M. Wardel

Town of Topsham

By: Jay L Bean
Town Manager

10-16-63 CORP.

By: John B. Wasileski
John B. Wasileski, Its President

EXHIBIT B

FROST TIF AGREEMENT

See attached.

CREDIT ENHANCEMENT AGREEMENT

This Credit Enhancement Agreement, dated as of July 12 2005, between the Town of Topsham, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine (the "Town"), and Historic Retirement, LLC., a Maine limited liability company, 10-16-63 Corp., a Maine corporation and Highlands Retirement Community Limited Partnership, a Maine limited partnership (collectively the "Developer").

WITNESSETH THAT

WHEREAS, the Town designated the Frost Street Municipal Development District and Tax Increment Financing District (the "District") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by vote at Town Meeting held on March 3, 2005 and pursuant to the same Town Meeting action adopted a development program and financial plan for the District (the "Development Program"), and

WHEREAS, the Maine Department of Economic and Community Development has reviewed and approved the District and the Development Program, and

WHEREAS, the Development Program contemplates the execution and delivery of a credit enhancement agreement between the Town and the Developer and the Town approved the execution and delivery of a credit enhancement agreement as described in the Development Program pursuant to such Town Meeting approval and a resolution of the Municipal Officers, and the Town and the Developer desire and intend that this Credit Enhancement Agreement be and constitute the Credit Enhancement Agreement contemplated by and described in the Development Program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I: DEFINITIONS

Section 1.1. Definitions. The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

"Agreement" means this Credit Enhancement Agreement between the Town and the Developer.

"Current Assessed Value" means the assessed value of the District certified by the municipal assessor as of April 1st of each year that the District remains in effect.

"Developer" means initially, Historic Retirement LLC, a Maine limited liability company, its successors and assigns, 10-16-63 Corp., its successors and assigns, and Highlands Retirement Community Limited Partnership, its successors and assigns; however, as a result of the assignment in Section 7.3, all references to payments to Developer herein, shall refers to Historic Retirement LLC, its successors and assigns.

"Development Program" means the Development Program for the District as adopted by the voters of the Town at a Town Meeting held on March 3, 2005.

"Development Program Fund" means the development program fund described in the Development Program.

"District" means the Frost Street Municipal Development District and Tax Increment Financing District designated by the Town pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by vote at its Town Meeting held on March 3, 2005.

"Financial Plan" means the financial plan described in the Development Program.

"Fiscal Year" means July 1 to June 30 each year or such other fiscal year as the Town may establish.

"Increased Assessed Value" means the valuation amount by which the Current Assessed Value of the District exceeds the Original Assessed Value of the District. If the Current Assessed Value is equal to or less than the Original Assessed Value, there is no Increased Assessed Value.

"Original Assessed Value" means the assessed value of the District as of March 31, 2004, which amount was $3,615,800.

"Project" means the design, planning, development, acquisition, construction, financing and installation of the Capital Program described in the Development Program.

"Project Costs" means any expenditures or monetary obligations incurred or expected to be incurred that are authorized by section 5225, subsection 1 of title 30-A of the Maine Revised Statutes and included in the Development Program.

"Project Cost Account" means the Developer's Project Cost Account described in the Development Program.

"Property Taxes" means any and all ad valorem property taxes levied, charged or assessed against real property or personal property by the Town or on its behalf.

"Qualified Investments" means any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law.

"Tax Increment" means all Property Taxes assessed by the Town, in excess of any state, county or special district tax, upon the Increased Assessed Value of all real property and personal property in the District.

"Tax Increment Revenues (Developer's Share)" means that percentage of the Tax Increment, for each year during the term of this Agreement, with respect to real property and personal property in the District as described in Section 3.1 of this Agreement, which revenues shall be deposited by the Town in the Developer's Project Cost Account and paid to the Developer pursuant to this Agreement.

"Tax Payment Date" means the date(s) on which Property Taxes levied by the Town are due and payable from owners of property located within the Town.

"Town" means the Town of Topsham, Maine, a municipality duly organized and existing under the laws of the State of Maine, its successors and assigns.

Section 1.2. Interpretation and Construction. In this Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not affect its meaning, construction or effect.

in Schedule A hereto. The Town shall make all such payments of the Tax Increment Revenues (Developer's Share) to the Developer, its successors and assigns. Each such payment by the Town to the Developer shall include all interest and earnings earned by the Town on such amount, computed from the date of payment of the Property Tax through the date of the payment by the Town to the Developer hereunder. The obligation of the Town to make such payments shall be a limited obligation payable solely from that portion of the Tax Increment Revenues (Developer's Share) payable to the Developer hereunder, and any earnings thereon, whether or not actually deposited into the Developer's Project Cost Account, and shall not constitute a general debt or obligation on the part of the Town or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine or any political subdivision thereof. The Tax Increment Revenues (Developer's Share) is computed based on the total Tax Increment of the District; thus the amount to be paid by the Town to the Developer hereunder for any year shall be equal to the Tax Increment Revenues (Developer's Share) percentage set forth above of the total Tax Increment of the District for such year, which total Tax Increment amount includes any portion of the Tax Increment that is not retained or captured in the District.

Section 3.2. Failure to Make Payment. In the event the Town should fail to, or be unable to, make any of the payments required under Section 3.1 hereof, the item or installment so unpaid shall continue from year-to-year, as a limited obligation of the Town, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid and the Town agrees to pay the same with interest thereon at the rate equal to the rate payable to the Town by property tax payers on delinquent property taxes, as adjusted annually, but only from Tax Increment Revenues (Developer's Share) paid to the Town by the Developer from time to time, and any earnings thereon, whether or not deposited into the Developer's Project Cost Account of the Development Program Fund. Payments shall be applied first against accrued interest and then against principal. The Developer shall have the right to initiate and maintain an action to specifically enforce the Town's obligations hereunder, including without limitation, the Town's obligation to deposit all Tax Increment Revenues (Developer's Share) to the Developer's Project Cost Account and its obligation to make payments to the Developer.

Section 3.3. Manner of Payments. The payments provided for in this Article III shall be paid in immediately available funds directly to the Developer in the manner provided hereinabove for its own use and benefit.

Section 3.4. Obligations Unconditional. The obligations of the Town to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Developer. The Town shall not suspend or discontinue any such payment or terminate this Agreement for any cause, including without limitation, any acts or circumstances that may constitute failure of consideration or frustration of purpose or any damage to or destruction of the Project or any change in the tax or other laws of the United States, the State of Maine or any political subdivision of either thereof, or any failure of the Developer to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement or the Development Program.

Section 3.5. Limited Obligation. The Town's obligations of payment hereunder shall be limited obligations of the Town payable solely from monies on deposit in the Developer's Project Cost Account, and any earnings thereon, pledged therefor under this Agreement. The Town's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of the Tax Increment Revenues (Developer's Share) payable to the Developer hereunder, and any earnings thereon, whether or not actually deposited into the Developer's Project Cost Account. This Agreement shall not directly or indirectly or contingently obligate the Town, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation or to levy or to make any appropriation for their payment, excepting the Town's obligation to levy Property Taxes upon the property in the District and the pledge of the Tax Increment Revenues (Developer's Share), and earnings thereon, established under this Agreement.

ARTICLE IV: PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of Developer's Project Cost Account. In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Developer by the Town, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the Town's covenants and agreements contained herein, the Town does hereby grant a security interest in and pledge to the Developer the Developer's Project Cost Account to the extent of Developer's Rights under this Agreement to receive funds

from the Developer's Project Cost Account and all sums of money and other securities and investments now or hereafter therein.

Section 4.2. Perfection of Interest. The Town authorizes the Developer to file and, if necessary, shall cooperate with the Developer in causing appropriate financing statements and continuation statements naming the Developer as pledgee of all amounts from time to time on deposit in the Developer's Project Cost Account to be duly filed and recorded in the appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder. To the extent deemed necessary by the Developer, the Town will at such time and from time to time as requested by Developer establish the Developer's Project Cost Account as a segregated fund under the control of an escrow agent, trustee or other fiduciary so as to perfect Developer's interest therein.

Section 4.3. Further Instruments. The Town shall, upon the reasonable request of the Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the Town.

Section 4.4. No Disposition of Developer's Project Cost Account. Except as permitted hereunder, the Town shall not sell, lease, pledge, grant a security interest in, assign or otherwise dispose, encumber or hypothecate any interest in the Developer's Project Cost Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part hereof not permitted hereby.

Section 4.5. Access to Books and Records. All books, records and documents in the possession of the Town relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Developer's Project Cost Account shall at all reasonable times be open to inspection by the Developer, its agents, lenders, designees and employees.

ARTICLE V: DEFAULTS AND REMEDIES

Section 5.1. Events of Default. Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

(a) any failure by the Town to pay any amounts due to Developer when the same shall become due and payable and any failure by the Town to make deposits into the Development Program Fund or the Developer's Project Cost Account as and when due;

(b) any failure by the Town or the Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the Town or the Developer to be observed or performed, provided, however, that failure of Developer to pay Property Taxes when due shall not constitute an event of default hereunder; or

(c) if a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding up or liquidation of the Town's affairs shall have been entered against the Town or the Town shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Town or of or relating to all or substantially all of its property, including without limitation, the filing of a voluntary petition in bankruptcy by the Town or the failure by the Town to have a petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Town.

Section 5.2. Remedies on Default. Whenever any Event of Default referred to in Section 6.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps: (a) the non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and (b) the Developer shall also have the right to exercise any

rights and remedies available to a secured party under the laws of the State of Maine. Neither party has the right to terminate this Agreement.

Section 5.3. Remedies Cumulative. No remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the Town with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Event of Default be continued or repeated.

Section 5.4. Agreement to Pay Attorneys' Fees and Expenses. Notwithstanding the application of any other provision hereof, in the event any party should default under any of the provisions of this Agreement and the non-defaulting party shall require and employ attorneys or incur other expenses or costs for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Town or the Developer herein contained, the defaulting party shall, on demand thereof pay to the non-defaulting party the reasonable attorneys fees, costs and expenses so incurred by the non-defaulting party.

Section 5.5. Waivers. The Town hereby waives its sovereign immunity with respect to any actions or suits undertaken by Developer, its successors or assigns, arising out of, resulting from or involving any alleged default by the Town hereunder or failure by the Town to observe or perform any of its obligations hereunder, it being understood and agreed that such waiver is a material inducement to the Developer entering into this Agreement and continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the Town shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or other dispute resolution mechanism. The Town hereby waives any right to withhold, suspend or setoff payments during the pendency of any such dispute.

ARTICLE VI: EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term. This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof for the entire term of this Agreement and shall expire upon the payment of all amounts due to the Developer hereunder and the performance of all obligations on the part of the Town and the Developer hereunder.

Section 6.2. Cancellation and Expiration of Term. At the termination or other expiration of this Agreement and following full payment of all amounts due and owning to the Developer hereunder or provision for payment thereof and of all other fees and charges having been made in accordance with the provisions to this Agreement, the Town and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII: ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge and/or Assignment. The Town hereby acknowledges that it is the intent of the Developer to pledge and assign and to grant security interests in and to this Agreement and the amounts payable to Developer hereunder and Developer's right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge or to grant such security interests. Recognizing this intention, the Town does hereby consent and agree to the grant of such security interests and to pledge and assignment of all the Developer's (or the pledge and assignment by any one Developer of its) right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for indebtedness and other obligations or otherwise, on one or more occasions during the term hereof.

Section 7.2. Pledge, Assignment or Security Interest. The Town hereby consents to the pledge, assignment or granting of a security interest by the Developer (or the pledge and assignment by any one Developer) of its right, title and interest in, to and under this Agreement. The Town agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective secured party, pledgee or assignee, including without limitation,

recognition of the secured party, pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such secured party, pledgee or assignee the position of such secured party, assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to the secured party, pledgee or assignee such rights and/or remedies as it may deem necessary for the establishing, perfection and protection of its interest herein.

Section 7.3. Assignment. 10-16-63 Corp. and Highlands Retirement Community Limited Partnership hereby transfer and assign to Historic Retirement, LLC, its successors and assigns, all rights under and interest in this Agreement, including the right to receive all payments from the Town to Developer pursuant to this Agreement, including those to be made pursuant to Section 3.1 hereof, and the Town consents to such assignment and agrees to make all payments due to Developer to Historic Retirement LLC, its successors and assigns and to recognize Historic Retirement, LLC as the sole owner and holder of all rights and interest of the Developer under this Agreement. Historic Retirement, LLC, its successors and assigns, as the Developer also shall have the unrestricted right to transfer and assign to any person or entity all or any portion of its rights in, to and under this Agreement, at any time, and from time to time, as Developer may, in its sole discretion, deem appropriate.

ARTICLE VIII: MISCELLANEOUS

Section 8.1. Successors. The covenants, stipulations, promises and agreements set forth herein shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 8.2. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.3. No Personal Liability of Officials of the Town. No covenant, stipulation, obligation or agreement of the Town contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the Town in his individual capacity and neither the members of the Board of Selectmen of the Town nor any official, officer, employee or agent of the Town shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.5. Governing Law. The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.6. Notices. All notices, certificates, requests, requisitions or other communications by the Town or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when hand delivered or mailed by first class mail, postage prepaid, addressed as follows:

If to the Town:
Town Manager
Town of Topsham
22 Elm Street
Topsham, ME.

If to the Developer:
Historic Retirement LLC
26 Elm Street
Topsham, ME.

Any of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.7. Amendments. This Agreement may be amended only with the concurring written consent of the parties hereto.

Section 8.8. Net Agreement. This Agreement shall be deemed and construed to be a "net agreement," and the Town shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without any abatement, deductions or setoffs.

Section 8.9. Benefit of Assignees or Pledgees. The Town agrees that this Agreement is executed in part to induce secured parties, assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the Town as to the amounts payable hereunder are hereby declared to be for the benefit of any such secured parties, assignee or pledgee from time to time of the Developer's right, title and interest herein.

Section 8.10. Valuation Agreement. The Development Program makes certain assumptions and estimates regarding valuation, depreciation of assets, tax rates, estimated amounts of the Increased Assessed Value and the Tax Increment, estimated amounts of the Tax Increment Revenues (Developer's Share), estimated development costs and other estimates. The Town and the Developer hereby covenant and agree that the assumptions, estimates, analysis and results set forth in the Development Program shall in no way (a) prejudice the rights of any party to be used, in any way, by any party in either presenting evidence or making argument in any dispute which may arise with respect to Developer's property for purposes of ad valorem property taxation or any tax abatement proceeding or (b) modify or change in any way the terms of this Agreement even if the actual results differ substantially from the estimates, assumptions or analysis.

Section 8.11. Integration. This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the Town and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

IN WITNESS WHEREOF, the Town and the Developer have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

WITNESS

Rose M. Woodd

Town of Topsham

By: Gary J. Brown
Its Town Manager

Historic Retirement, LLC

By:
John B. Wasileski, Its Manager

10-16-63 Corp.

By:
John B. Wasileski, Its President

Highlands Retirement Community
Limited Partnership

By:
John B. Wasileski, Its General Partner

SCHEDULE A TO CREDIT ENHANCEMENT AGREEMENT

The property in the Topsham, Maine shown on the plan of the District presented to the Town Meeting at which this Development Program was considered, which Plan is incorporated herein by reference, and which property is described as follows: (a) the property described in the deeds to the Town of Topsham recorded in the Sagadahoc County Registry of Deeds, Book 92, Page 563 and Book 93, Pages 565 and 566 and Book 980, Page 37; (b) the property described in the deed from 10-16-63 Corp. to Ocean View Management Company, dated October 3, 2001 and recorded in the Sagadahoc County Registry of Deeds, Book 1919, Page 144; (c) the property described in the deed from 10-16-63 Corp. to Historic Retirement LLC dated October 3, 2001 and recorded in the Sagadahoc County Registry of Deeds, Book 1919, Page 145; (d) the property described in the deed to Historic Retirement, LLC from Hunter S. Frost and Stevens L. Frost, dated July 23, 2001, recorded in the Sagadahoc County Registry of Deeds, Book 1892, Page 126; (e) the property shown as the lot labeled Highlands West or Highlands West Residential Units as shown on the Plan of Subdivision Highlands Estates Expansion West for 10-16-63 Corp. by Paul H. Ruopp, Jr., dated September 10, 2001 and recorded in the Sagadahoc County Registry of Deeds, Plan Book 36, Page 94; (f) the property described in the deed from William D. Fitz et al. to Linwood C. McGray and Dorothy H. McGray, dated March 7, 1952, and recorded in the Sagadahoc County Registry of Deeds, Book 268, Page 537; (g) the portion of the property owned by Highlands Retirement Community Limited Partnership shown on Tax Map U07 as Lot 004-B that is shown as included in the District on the Plan of the District, consisting of the wing of the Highlands building to be rehabilitated and the surrounding land on which the Highlands or Alzheimer's expansion is proposed to be built; (h) a three foot wide parcel of land running between the northwesterly boundary of the Highlands Retirement Community Limited Partnership lot described in clause (g) hereinabove and the southerly boundary of the Highlands West parcel described in clause (e) above, which three foot wide strip is bounded and described as follows: commencing at a point on the westerly boundary of said Highlands lot and the easterly boundary of land of SAD 75, which point is 3 feet southerly from the northwesterly corner of said Highlands lot and continuing northerly along the easterly boundary of property of SAD 75 to land of 10-16-63 Corp. (the "Highlands West lot") at the northeasterly corner of said SAD 75 lot; thence westerly along the northerly boundary of the SAD 75 lot and the southerly boundary of said Highlands West Lot to a point that is 3 feet westerly of the southeasterly corner of said Highlands West parcel; thence southerly and parallel to said easterly boundary of property of SAD 75 a distance of 3 feet; thence easterly and parallel to said northerly boundary of said SAD 75 parcel to a point that is 3 feet westerly of the easterly boundary of said SAD 75 parcel; thence southerly and parallel to and 3 feet westerly of said easterly boundary of said SAD 75 parcel to a point that is 3 feet westerly of the point of beginning; thence easterly a distance of 3 feet to the point of beginning; (i) the portion of Lot 1 shown on Tax Map U4 that is located southerly of a westerly extension of the northerly boundary line of Lot 79 as shown on Tax Map U6; (j) the property described in the deed to John M. Wallace and Gina L. Wallace recorded in the Sagadahoc County Registry of Deeds, Book 382, Page 954 and (k) all of Frost Street.

EXHIBIT C

EXHIBIT D TO SUMMARY OF BYPASS AMENDMENT AND FROST TIF AGREEMENT

See attached.

EXHIBIT D

CREDIT ENHANCEMENT AGREEMENT

This Credit Enhancement Agreement, dated as of _____, 2005, between the Town of Topsham, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine (the "Town"), and Historic Retirement, LLC., a Maine limited liability company, 10-16-63 Corp., a Maine corporation and Highlands Retirement Community Limited Partnership, a Maine limited partnership (collectively the "Developer").

WITNESSETH THAT

WHEREAS, the Town designated the Frost Street Municipal Development District and Tax Increment Financing District (the "District") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by vote at Town Meeting held on March 3, 2005 and pursuant to the same Town Meeting action adopted a development program and financial plan for the District (the "Development Program"), and

WHEREAS, the Maine Department of Economic and Community Development has reviewed and approved the District and the Development Program, and

WHEREAS, the Development Program contemplates the execution and delivery of a credit enhancement agreement between the Town and the Developer and the Town approved the execution and delivery of a credit enhancement agreement as described in the Development Program pursuant to such Town Meeting approval and a resolution of the Municipal Officers, and the Town and the Developer desire and intend that this Credit Enhancement Agreement be and constitute the Credit Enhancement Agreement contemplated by and described in the Development Program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I: DEFINITIONS

Section 1.1. Definitions. The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

"Agreement" means this Credit Enhancement Agreement between the Town and the Developer.

"Current Assessed Value" means the assessed value of the District certified by the municipal assessor as of April 1st of each year that the District remains in effect.

"Developer" means initially, Historic Retirement LLC, a Maine limited liability company, its successors and assigns, 10-16-63 Corp., its successors and assigns, and Highlands Retirement Community Limited Partnership, its successors and assigns; however, as a result of the assignment in Section 7.3, all references to payments to Developer herein, shall refers to Historic Retirement LLC, its successors and assigns.

"Development Program" means the Development Program for the District as adopted by the voters of the Town at a Town Meeting held on March 3, 2005.

"Development Program Fund" means the development program fund described in the Development Program.

"District" means the Frost Street Municipal Development District and Tax Increment Financing District designated by the Town pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by vote at its Town Meeting held on March 3, 2005.

"Financial Plan" means the financial plan described in the Development Program.

"Fiscal Year" means July 1 to June 30 each year or such other fiscal year as the Town may establish.

"Increased Assessed Value" means the valuation amount by which the Current Assessed Value of the District exceeds the Original Assessed Value of the District. If the Current Assessed Value is equal to or less than the Original Assessed Value, there is no Increased Assessed Value.

"Original Assessed Value" means the assessed value of the District as of March 31, 2004, which amount was $3,615,800.

"Project" means the design, planning, development, acquisition, construction, financing and installation of the Capital Program described in the Development Program.

"Project Costs" means any expenditures or monetary obligations incurred or expected to be incurred that are authorized by section 5225, subsection 1 of title 30-A of the Maine Revised Statutes and included in the Development Program.

"Project Cost Account" means the Developer's Project Cost Account described in the Development Program.

"Property Taxes" means any and all ad valorem property taxes levied, charged or assessed against real property or personal property by the Town or on its behalf.

"Qualified Investments" means any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law.

"Tax Increment" means all Property Taxes assessed by the Town, in excess of any state, county or special district tax, upon the Increased Assessed Value of all real property and personal property in the District.

"Tax Increment Revenues (Developer's Share)" means that percentage of the Tax Increment, for each year during the term of this Agreement, with respect to real property and personal property in the District as described in Section 3.1 of this Agreement, which revenues shall be deposited by the Town in the Developer's Project Cost Account and paid to the Developer pursuant to this Agreement.

"Tax Payment Date" means the date(s) on which Property Taxes levied by the Town are due and payable from owners of property located within the Town.

"Town" means the Town of Topsham, Maine, a municipality duly organized and existing under the laws of the State of Maine, its successors and assigns.

Section 1.2. Interpretation and Construction. In this Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not affect its meaning, construction or effect.

(e) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(f) If any clause, provision, Article or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision, Article or Section shall not affect any of the remaining provisions hereof.

ARTICLE II: DEVELOPER'S PROJECT COST ACCOUNT OF THE DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Developer's Project Cost Account of the Development Program Fund. The Town hereby confirms the creation and establishment of (a) the Frost Street Development District and Tax Increment Financing District Development Program Fund; and (b) a segregated fund within such Development Program Fund designated as the "Developer's Project Cost Account " (the "Developer's Project Cost Account") pursuant to, and in accordance with the terms and conditions of the Development Program. The Development Program Fund shall consist of the Developer's Project Cost Account and the Town's Project Cost Account as described in the Development Program. The Town's Project Cost Account as described in the Development Program is not subject to this Agreement.

Section 2.2. Deposits into Developer's Project Cost Account. The Town shall deposit into the Developer's Project Cost Account contemporaneously with each payment of Property Tax during the term of the District an amount equal to that portion thereof constituting the Tax Increment Revenues (Developer's Share) for the period or year to which the payment relates and shall allocate the amount so deposited to fund fully and pay the payments due to Developer under Article III of this Agreement. Any and all revenues resulting from investment of monies on deposit in the Developer's Project Cost Account shall be retained therein and shall be reinvested and otherwise applied to the purposes for which the Developer's Project Cost Account is dedicated.

Section 2.3. Use of Monies in Developer's Project Cost Account of the Development Program Fund. Monies deposited in the Developer's Project Cost Account shall be used and applied exclusively to fund the Town's payment obligation described in Article III hereof.

Section 2.4. Monies Held in Trust. All monies required to be deposited with or paid into the Developer's Project Cost Account to fund payments of the Developer under the provisions hereof and the provisions of the Development Program, and all investment earnings thereon shall be held by the Town in trust, for the benefit of the Developer.

Section 2.5. Investments. The monies in the Developer's Project Cost Account shall be invested and reinvested in Qualified Investments as determined by the Town. The Town shall have discretion regarding the investment of such monies, provided such monies are invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the Town shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The Town shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Developer's Project Cost Account.

Section 2.6. Liens. The Town shall not hypothecate or grant or create any liens, security interests, encumbrances, or other interests of any nature whatsoever, with respect to the Developer's Project Cost Account or any funds therein, other than the interest granted to the Developer hereunder in and to the amounts on deposit therein.

ARTICLE III: PAYMENT OBLIGATIONS

Section 3.1. Credit Enhancement Payments. The term of this Agreement shall commence on July 1, 2005 and shall end on June 30, 2035. The Town agrees to pay to the Developer within 15 days following each Tax Payment Date or the date payment of Property Tax is actually received by the Town with respect to real property or personal property in the District, whichever is later, payments equal to the Tax Increment Revenues (Developer's Share) as hereafter defined for each Fiscal Year of the Town beginning with the first Fiscal Year of the Town after the designation and approval of the District by the Maine Department of Economic and Community Development, being the Fiscal Year beginning July 1, 2005 and ending June 30, 2006 and continuing with each Fiscal Year of the Town thereafter through and including the Fiscal Year ending June 30, 2035. The Tax Increment Revenues (Developer's Share) for each Fiscal Year during the term of this Agreement shall mean 45% of the entire Tax Increment for each Fiscal Year for the period from July 1, 2005 through June 30, 2035, all determined with respect to all real property and all personal property located in the District, such real property being the property described in Schedule A hereto. The Town shall make all such payments of the Tax Increment Revenues (Developer's Share) to the Developer, its successors and assigns. Each such payment by the Town to the Developer shall include all interest and earnings earned by the Town on such amount, computed from the date of payment of the Property Tax through the date of the payment by the Town to the Developer hereunder. The obligation of the Town to make such payments shall be a limited obligation payable solely from that portion of the Tax Increment Revenues (Developer's Share) payable to the Developer hereunder, and any earnings thereon, whether or not actually deposited into the Developer's Project Cost Account, and shall not constitute a

general debt or obligation on the part of the Town or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine or any political subdivision thereof. The Tax Increment Revenues (Developer's Share) is computed based on the total Tax Increment of the District; thus the amount to be paid by the Town to the Developer hereunder for any year shall be equal to the Tax Increment Revenues (Developer's Share) percentage set forth above of the total Tax Increment of the District for such year, which total Tax Increment amount includes any portion of the Tax Increment that is not retained or captured in the District.

Section 3.2. Failure to Make Payment. In the event the Town should fail to, or be unable to, make any of the payments required under Section 3.1 hereof, the item or installment so unpaid shall continue from year-to-year, as a limited obligation of the Town, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid and the Town agrees to pay the same with interest thereon at the rate equal to the rate payable to the Town by property tax payers on delinquent property taxes, as adjusted annually, but only from Tax Increment Revenues (Developer's Share) paid to the Town by the Developer from time to time, and any earnings thereon, whether or not deposited into the Developer's Project Cost Account of the Development Program Fund. Payments shall be applied first against accrued interest and then against principal. The Developer shall have the right to initiate and maintain an action to specifically enforce the Town's obligations hereunder, including without limitation, the Town's obligation to deposit all Tax Increment Revenues (Developer's Share) to the Developer's Project Cost Account and its obligation to make payments to the Developer.

Section 3.3. Manner of Payments. The payments provided for in this Article III shall be paid in immediately available funds directly to the Developer in the manner provided hereinabove for its own use and benefit.

Section 3.4. Obligations Unconditional. The obligations of the Town to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Developer. The Town shall not suspend or discontinue any such payment or terminate this Agreement for any cause, including without limitation, any acts or circumstances that may constitute failure of consideration or frustration of purpose or any damage to or destruction of the Project or any change in the tax or other laws of the United States, the State of Maine or any political subdivision of either thereof, or any failure of the Developer to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement or the Development Program.

Section 3.5. Limited Obligation. The Town's obligations of payment hereunder shall be limited obligations of the Town payable solely from monies on deposit in the Developer's Project Cost Account, and any earnings thereon, pledged therefor under this Agreement. The Town's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of the Tax Increment Revenues (Developer's Share) payable to the Developer hereunder, and any earnings thereon, whether or not actually deposited into the Developer's Project Cost Account. This Agreement shall not directly or indirectly or contingently obligate the Town, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation or to levy or to make any appropriation for their payment, excepting the Town's obligation to levy Property Taxes upon the property in the District and the pledge of the Tax Increment Revenues (Developer's Share), and earnings thereon, established under this Agreement.

ARTICLE IV: PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of Developer's Project Cost Account. In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Developer by the Town, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the Town's covenants and agreements contained herein, the Town does hereby grant a security interest in and pledge to the Developer the Developer's Project Cost Account to the extent of Developer's Rights under this Agreement to receive funds from the Developer's Project Cost Account and all sums of money and other securities and investments now or hereafter therein.

Section 4.2. Perfection of Interest. The Town authorizes the Developer to file and, if necessary, shall cooperate with the Developer in causing appropriate financing statements and continuation statements naming the Developer as pledgee of all amounts from time to time on deposit in the Developer's Project Cost Account to be duly filed and recorded in the appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder. To the extent deemed necessary by the Developer, the Town will at such time and from time to time as requested by Developer establish the Developer's Project Cost Account as a segregated fund under the control of an escrow agent, trustee or other fiduciary so as to perfect Developer's interest therein.

Section 4.3. Further Instruments. The Town shall, upon the reasonable request of the Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the Town.

Section 4.4. No Disposition of Developer's Project Cost Account. Except as permitted hereunder, the Town shall not sell, lease, pledge, grant a security interest in, assign or otherwise dispose, encumber or hypothecate any interest in the Developer's Project Cost Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part hereof not permitted hereby.

Section 4.5. Access to Books and Records. All books, records and documents in the possession of the Town relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Developer's Project Cost Account shall at all reasonable times be open to inspection by the Developer, its agents, lenders, designees and employees.

ARTICLE V: DEFAULTS AND REMEDIES

Section 5.1. Events of Default. Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

(a) any failure by the Town to pay any amounts due to Developer when the same shall become due and payable and any failure by the Town to make deposits into the Development Program Fund or the Developer's Project Cost Account as and when due;

(b) any failure by the Town or the Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the Town or the Developer to be observed or performed, provided, however, that failure of Developer to pay Property Taxes when due shall not constitute an event of default hereunder; or

(c) if a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding up or liquidation of the Town's affairs shall have been entered against the Town or the Town shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Town or of or relating to all or substantially all of its property, including without limitation, the filing of a voluntary petition in bankruptcy by the Town or the failure by the Town to have a petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Town.

Section 5.2. Remedies on Default. Whenever any Event of Default referred to in Section 6.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps: (a) the non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and (b) the Developer shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine. Neither party has the right to terminate this Agreement.

Section 5.3. Remedies Cumulative. No remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the Town with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Event of Default be continued or repeated.

Section 5.4. Agreement to Pay Attorneys' Fees and Expenses. Notwithstanding the application of any other provision hereof, in the event any party should default under any of the provisions of this Agreement and the non-defaulting party shall require and employ attorneys or incur other expenses or costs for the collection of payments due or to become due or for the

enforcement of performance or observance of any obligation or agreement on the part of the Town or the Developer herein contained, the defaulting party shall, on demand thereof pay to the non-defaulting party the reasonable attorneys fees, costs and expenses so incurred by the non-defaulting party.

Section 5.5. Waivers. The Town hereby waives its sovereign immunity with respect to any actions or suits undertaken by Developer, its successors or assigns, arising out of, resulting from or involving any alleged default by the Town hereunder or failure by the Town to observe or perform any of its obligations hereunder, it being understood and agreed that such waiver is a material inducement to the Developer entering into this Agreement and continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the Town shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or other dispute resolution mechanism. The Town hereby waives any right to withhold, suspend or setoff payments during the pendency of any such dispute.

ARTICLE VI: EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term. This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof for the entire term of this Agreement and shall expire upon the payment of all amounts due to the Developer hereunder and the performance of all obligations on the part of the Town and the Developer hereunder.

Section 6.2. Cancellation and Expiration of Term. At the termination or other expiration of this Agreement and following full payment of all amounts due and owning to the Developer hereunder or provision for payment thereof and of all other fees and charges having been made in accordance with the provisions to this Agreement, the Town and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII: ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge and/or Assignment. The Town hereby acknowledges that it is the intent of the Developer to pledge and assign and to grant security interests in and to this Agreement and the amounts payable to Developer hereunder and Developer's right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge or to grant such security interests. Recognizing this intention, the Town does hereby consent and agree to the grant of such security interests and to pledge and assignment of all the Developer's (or the pledge and assignment by any one Developer of its) right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for indebtedness and other obligations or otherwise, on one or more occasions during the term hereof.

Section 7.2. Pledge, Assignment or Security Interest. The Town hereby consents to the pledge, assignment or granting of a security interest by the Developer (or the pledge and assignment by any one Developer) of its right, title and interest in, to and under this Agreement. The Town agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective secured party, pledgee or assignee, including without limitation, recognition of the secured party, pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such secured party, pledgee or assignee the position of such secured party, assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to the secured party, pledgee or assignee such rights and/or remedies as it may deem necessary for the establishing, perfection and protection of its interest herein.

Section 7.3. Assignment. 10-16-63 Corp. and Highlands Retirement Community Limited Partnership hereby transfer and assign to Historic Retirement, LLC, its successors and assigns, all rights under and interest in this Agreement, including the right to receive all payments from the Town to Developer pursuant to this Agreement, including those to be made pursuant to Section 3.1 hereof, and the Town consents to such assignment and agrees to make all payments due to Developer to Historic Retirement LLC, its successors and assigns and to recognize Historic Retirement, LLC as the sole owner and holder of all rights and interest of the Developer under this Agreement. Historic Retirement, LLC, its successors and assigns, as the Developer also shall have the unrestricted right to transfer and assign to any person or entity all or any portion of its rights in, to and under this Agreement, at any time, and from time to time, as Developer may, in its sole discretion, deem appropriate.

ARTICLE VIII: MISCELLANEOUS

Section 8.1. Successors. The covenants, stipulations, promises and agreements set forth herein shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 8.2. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.3. No Personal Liability of Officials of the Town. No covenant, stipulation, obligation or agreement of the Town contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the Town in his individual capacity and neither the members of the Board of Selectmen of the Town nor any official, officer, employee or agent of the Town shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.5. Governing Law. The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.6. Notices. All notices, certificates, requests, requisitions or other communications by the Town or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when hand delivered or mailed by first class mail, postage prepaid, addressed as follows:

If to the Town:
Town Manager
Town of Topsham
22 Elm Street
Topsham, ME.

If to the Developer:
Historic Retirement LLC
26 Elm Street
Topsham, ME.

Any of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.7. Amendments. This Agreement may be amended only with the concurring written consent of the parties hereto.

Section 8.8. Net Agreement. This Agreement shall be deemed and construed to be a "net agreement," and the Town shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without any abatement, deductions or setoffs.

Section 8.9. Benefit of Assignees or Pledgees. The Town agrees that this Agreement is executed in part to induce secured parties, assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the Town as to the amounts payable hereunder are hereby declared to be for the benefit of any such secured parties, assignee or pledgee from time to time of the Developer's right, title and interest herein.

Section 8.10. Valuation Agreement. The Development Program makes certain assumptions and estimates regarding valuation, depreciation of assets, tax rates, estimated amounts of the Increased Assessed Value and the Tax Increment, estimated amounts of the Tax Increment Revenues (Developer's Share), estimated development costs and other estimates. The Town and the Developer hereby covenant and agree that the assumptions, estimates, analysis and results set forth in the Development Program shall in no way (a) prejudice the rights of any party to be used, in any way, by any party in either presenting evidence or making argument in any dispute which may arise with respect to Developer's property for purposes of ad valorem property taxation or any tax abatement proceeding or (b) modify or change in any way the terms of this Agreement even if the actual results differ substantially from the estimates, assumptions or analysis.

Section 8.11. Integration. This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the Town and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

IN WITNESS WHEREOF, the Town and the Developer have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

WITNESS

Town of Topsham

_____

By:_____
Its Town Manager

Historic Retirement, LLC

_____

By:_____
John B. Wasileski, Its Manager

10-16-63 Corp.

_____

By:_____
John B. Wasileski, Its President

Highlands Retirement Community
Limited Partnership

_____

By:_____
John B. Wasileski, Its General Partner

SCHEDULE A TO CREDIT ENHANCEMENT AGREEMENT

The property in the Topsham, Maine shown on the plan of the District presented to the Town Meeting at which this Development Program was considered, which Plan is incorporated herein by reference, and which property is described as follows: (a) the property described in the deeds to the Town of Topsham recorded in the Sagadahoc County Registry of Deeds, Book 92, Page 563 and Book 93, Pages 565 and 566 and Book 980, Page 37; (b) the property described in the deed from 10-16-63 Corp. to Ocean View Management Company, dated October 3, 2001 and recorded in the Sagadahoc County Registry of Deeds, Book 1919, Page 144; (c) the property described in the deed from 10-16-63 Corp. to Historic Retirement LLC dated October 3, 2001 and recorded in the Sagadahoc County Registry of Deeds, Book 1919, Page 145; (d) the property described in the deed to Historic Retirement, LLC from Hunter S. Frost and Stevens L. Frost, dated July 23, 2001, recorded in the Sagadahoc County Registry of Deeds, Book 1892, Page 126; (e) the property shown as the lot labeled Highlands West or Highlands West Residential Units as shown on the Plan of Subdivision Highlands Estates Expansion West for 10-16-63 Corp. by Paul H. Ruopp, Jr., dated September 10, 2001 and recorded in the Sagadahoc County Registry of Deeds, Plan Book 36, Page 94; (f) the property described in the deed from William D. Fitz et al. to Linwood C. McGray and Dorothy H. McGray, dated March 7, 1952, and recorded in the Sagadahoc County Registry of Deeds, Book 268, Page 537; (g) the portion of the property owned by Highlands Retirement Community Limited Partnership shown on Tax Map U07 as Lot 004-B that is shown as included in the District on the Plan of the District, consisting of the wing of the Highlands building to be rehabilitated and the surrounding land on which the Highlands or Alzheimer's expansion is proposed to be built; (h) a three foot wide parcel of land running between the northwesterly boundary of the Highlands Retirement Community Limited Partnership lot described in clause (g) hereinabove and the southerly boundary of the Highlands West parcel described in clause (e) above, which three foot wide strip is bounded and described as follows: commencing at a point on the westerly boundary of said Highlands lot and the easterly boundary of land of SAD 75, which point is 3 feet southerly from the northwesterly corner of said Highlands lot and continuing northerly along the easterly boundary of property of SAD 75 to land of 10-16-63 Corp. (the "Highlands West lot") at the northeasterly corner of said SAD 75 lot; thence westerly along the northerly boundary of the SAD 75 lot and the southerly boundary of said Highlands West Lot to a point that is 3 feet westerly of the southeasterly corner of said Highlands West parcel; thence southerly and parallel to said easterly boundary of property of SAD 75 a distance of 3 feet; thence easterly and parallel to said northerly boundary of said SAD 75 parcel to a point that is 3 feet westerly of the easterly boundary of said SAD 75 parcel; thence southerly and parallel to and 3 feet westerly of said easterly boundary of said SAD 75 parcel to a point that is 3 feet westerly of the point of beginning; thence easterly a distance of 3 feet to the point of beginning; (i) the portion of Lot 1 shown on Tax Map U4 that is located southerly of a westerly extension of the northerly boundary line of Lot 79 as shown on Tax Map U6; (j) the property described in the deed to John M. Wallace and Gina L. Wallace recorded in the Sagadahoc County Registry of Deeds, Book 382, Page 954 and (k) all of Frost Street.