

EXHIBIT 3(G)

5
2

COMMONWEALTH OF MASSACHUSETTS

ESSEX, SS.

SUPERIOR COURT DEPARTMENT
DOCKET NO. 1877EVO1266D

TIMBERLINE ENTERPRISES, LLC,
Plaintiff

v.

STEPHEN PEARSON d/b/a PEARSON HOMES
a/k/a PEARSON HOMES INC. and
4 BROWN STREET, LLC a/k/a
FOUR BROWN STREET LLC,
Defendants

FILED
ESSEX SUPERIOR COURT
2018 SEP -5 A 10:24

COMPLAINT AND DEMAND FOR TRIAL BY JURY

1. Timberline Enterprises, LLC (hereinafter "Plaintiff"), is a Massachusetts corporation with a usual place of business at 15 Letchworth Avenue, Billerica, Massachusetts.
2. The Defendant, Stephen Pearson d/b/a Pearson Homes a/k/a Pearson Homes Inc. (hereinafter "Pearson"), is an individual doing business in Massachusetts with an address 30 Wayside Avenue, Byfield, Massachusetts 01922.
3. The Defendant, 4 Brown Street, LLC a/k/a Four Brown Street LLC (hereinafter "Four Brown Street") is a Massachusetts corporation with a usual place of business at 110 Maple Lane, Northborough, MA 01532.
4. On or about August 5, 2013, the Plaintiff entered into a written agreement with the Defendant, Pearson, whereby the Plaintiff would provide the Defendant, Pearson, with building materials and supplies under a written credit agreement.
5. The Plaintiff provided the Defendant, Pearson, with building materials and supplies for the performance of construction on a number of parcels of real estate including the real estate located at 10 Brown Street, Newburyport, Massachusetts.
6. The real estate located at 10 Brown Street, Newburyport, Massachusetts at all times relevant to the provision of building materials and supplies herein by the Plaintiff, was owned by the Defendant, Four Brown Street.
7. The Defendant, Pearson, owes the Plaintiff significant monies for building materials and supplies provided for work performed on a number of premises including the premises owned by the Defendant, Four Brown Street, at 10 Brown Street, Newburyport, Massachusetts.

ATRUE COPY ATTEST
Antoinetta McDermott
DEPUTY ASST. CLERK

8. After demand, the Defendant, Pearson and the Defendant, Four Brown Street, have failed and refused to pay the monies due to the Plaintiff, Timberline.
9. The Plaintiff performed all conditions precedent to filing and otherwise perfecting a mechanic's lien on the Premises owned by the Defendant, Four Brown Street, in the amount of \$98,980.98, which is the subject of the within mechanic's lien cause of action, on the real estate located at 10 Brown Street, Newburyport, Massachusetts.
10. The Plaintiff filed a good, timely and sufficient Notice of Contract with the Southern Essex County Registry of Deeds at Book 36818 Page 262.
13. The Plaintiff gave proper notice of such Notice of Contract to all parties in interest.
14. The Plaintiff filed a good, timely and sufficient Statement of Account with the Southern Essex County Registry of Deeds at Book 36818 Page 264.
15. The Plaintiff gave proper notice of such Statement of Account to all parties in interest.
16. The Plaintiff has properly perfected its mechanics lien.

Count I
(Breach of Contract)

(Timberline v. Stephen Pearson d/b/a Pearson Homes a/k/a Pearson Homes Inc.)

17. The Plaintiff incorporates all preceding paragraphs as if specifically set forth herein.
18. On or about August 5, 2013, the Plaintiff entered into a written agreement with Defendant, Pearson, whereby the Plaintiff would provide the Defendant, Pearson, with building materials and supplies under a written credit agreement.
19. The Plaintiff provided the Defendant, Pearson, with building materials and supplies for the performance of construction on a number of parcels of real estate including the real estate located at 10 Brown Street, Newburyport, Massachusetts.
20. The Defendant, Pearson, owes the Plaintiff significant monies for building materials and supplies provided for work performed on a number of premises including the premises owned by the Defendant, Four Brown Street, at 10 Brown Street, Newburyport, Massachusetts.
21. After demand, the Defendant, Pearson, has failed and refused to pay the monies due to the Plaintiff, Timberline.

A TRUE COPY TEST
Antonella McLaughlin
DEPUTY ASST. CLERK

Count II
(Quantum Meruit)

(Timberline v. Stephen Pearson d/b/a Pearson Homes a/k/a Pearson Homes Inc.)

22. The Plaintiff incorporates all preceding paragraphs as if specifically set forth herein.
23. On or about August 5, 2013, the Plaintiff entered into a written agreement with Defendant, Pearson, whereby the Plaintiff would provide the Defendant, Pearson, with building materials and supplies under a written credit agreement.
24. The Plaintiff provided the Defendant, Pearson, with building materials and supplies for the performance of construction on a number of parcels of real estate including the real estate located at 10 Brown Street, Newburyport, Massachusetts.
25. The Defendant, Pearson, owes the Plaintiff significant monies for building materials and supplies provided for work performed on a number of premises including the premises owned by the Defendant, Four Brown Street, at 10 Brown Street, Newburyport, Massachusetts.
26. After demand, the Defendant, Pearson, has failed and refused to pay the monies due to the Plaintiff, Timberline.
27. By reason of the Defendant, Pearson's failure to pay for the building materials and supplies provided, the Plaintiff has been damaged in the amount of \$98,980.98.

Count III
(FORECLOSURE OF MECHANIC'S LIEN, M.G.L. c. 254)
(Timberline v. 4 Brown Street, LLC a/k/a Four Brown Street LLC)

28. The Plaintiff incorporates all preceding paragraphs as if specifically set forth herein.
29. On or about August 5, 2013, the Plaintiff entered into a written agreement with Defendant, Pearson, whereby the Plaintiff would provide the Defendant, Pearson, with building materials and supplies under a written credit agreement.
30. The Plaintiff provided the Defendant, Pearson, with building materials and supplies for the performance of construction on a number of parcels of real estate including the real estate located at 10 Brown Street, Newburyport, Massachusetts.
31. The real estate located at 10 Brown Street, Newburyport, Massachusetts at all times relevant to the provision of building materials and supplies herein by the Plaintiff, was owned by the Defendant, Four Brown Street.

TRUE COPY, ATTEST
Antonia H. [Signature]
DEPUTY ASST. CLERK

32. The Defendant, Pearson, owes the Plaintiff significant monies for building materials and supplies provided for work performed on a number of premises including the premises owned by the Defendant, Four Brown Street, at 10 Brown Street, Newburyport, Massachusetts.

33. After demand, the Defendant, Pearson, and the Defendant, Four Brown Street, have failed and refused to pay the monies due to the Plaintiff, Timberline.

34. The Plaintiff performed all conditions precedent to filing and otherwise perfecting a mechanic's lien on the Premises owned by the Defendant, Four Brown Street, in the amount of \$98,980.98, which is the subject of the within mechanic's lien cause of action, on the real estate located at 10 Brown Street, Newburyport, Massachusetts.

35. The Plaintiff filed a good, timely and sufficient Notice of Contract with the Southern Essex County Registry of Deeds at Book 36818 Page 262.

36. The Plaintiff gave proper notice of such Notice of Contract to all parties in interest.

37. The Plaintiff filed a good, timely and sufficient Statement of Account with the Southern Essex County Registry of Deeds at Book 36818 Page 264.

38. The Plaintiff gave proper notice of such Statement of Account to all parties in interest.

39. The Plaintiff has properly perfected its mechanics lien.

40. The Plaintiff is entitled to a lien upon the Premises of the Defendant, 4 Brown Street a/k/a Four Brown Street, LLC to secure the \$98,980.98 due under the above mentioned written agreement with the Defendant, Pearson, for building materials and supplies provided to 10 Brown Street, Newburyport, Massachusetts.

DEMAND FOR TRIAL BY JURY

Plaintiff in the above-captioned action hereby requests a trial by jury on all counts so triable.

WHEREFORE, the Plaintiff demands judgment as follows:

- a. Damages against the Defendants in the amount of \$98,980.98 (including a mechanics lien in the amount of \$98,980.98 on 10 Brown Street, Newburyport, Massachusetts)
- b. Costs;
- c. Interest;
- d. Attorney fees;

TRUE COPY, ATTEST
Christina M. DeMaggio
DEPUTY ASST. CLERK

e. That this honorable Court issue an ORDER which declares that the Plaintiff has established a valid lien upon the real estate of the Defendant, 4 Brown Street, LLC a/k/a Four Brown Street LLC located at 10 Brown Street, Newburyport, Massachusetts, and more particularly described as follows:

That certain parcel of land situated in Newburyport, Essex County, Massachusetts, identified as Lot #4 on a plan entitled "Definitive Subdivision of Land Plan #6 Brown Street, Newburyport, MA. Prepared for Brown Street Realty Trust" prepared by Oak Engineering LLC dated July 7, 2010 Scale: 1" = 30' and filed with the Essex South Registry of Deeds in Plan Book 426, as Plan 46;

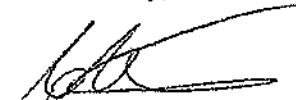
f. That this Honorable Court enter an ORDER which orders the sale of the real estate to satisfy the judgment (in whole or in part) against the Defendants, including all interest, costs and attorney fees as allowable by law to satisfy such judgment; and

g. For such other and further relief that the court deems meet, just and appropriate.

The Plaintiff,

TIMBERLINE ENTERPRISES, LLC,

By its attorney,


Carlo Cellai, Esq., BBO No. 558651
Steven Sroczyński, Esq., BBO No. 680387
CELLAI LAW OFFICES, P.C.
150 Grossman Drive, Suite 201
Braintree, Massachusetts 02184
(617) 367-2199
Carlo@Cellailaw.com

FILED
ESSEX SUPERIOR COURT
2018 SEP -5 A 10:24

A TRUE COPY, ATTEST

DEPUTY ASS'T. CLERK

MASSACHUSETTS DEPT. OF REVENUE
P.O. BOX 7021
BOSTON, MA 02204

AD-8

Lien Number: 0441 8000 7448

Taxpayer ID Number: XXX XX 0375

Control # 85807893D

NOTICE OF MASSACHUSETTS TAX LIEN

STEPHEN M. PEARSON
30 WAYSIDE AVE
BYFIELD, MA 01922

PLACE OF FILING

Registry of Deeds: ESSEX COUNTY, SALEM, MA
Secretary of State: BOSTON, MA

Pursuant to the provisions of Section 50 of Chapter 62C of the General Laws, a lien in favor of the Commonwealth of Massachusetts has been placed upon all property and rights to property belonging to the above-named taxpayer(s) for assessed and unpaid taxes, interest and penalties as stated below.

*** Important Release Information:** For each assessment listed below, unless a Notice of Massachusetts Tax Lien is refiled within 10 years and 30 days from the date of each assessment, this notice shall, 10 years and 30 days following the date of such assessment, operate as a Release of Massachusetts Tax lien.

| Tax Type | Period End Date | Assessment Date | Assessment Amounts | Statutory Additions | Balance Due |
|----------|-----------------|-----------------|--------------------|---------------------|-------------------|
| INCOME | 12/31/11 | 07/06/15 | \$1,019.00 | \$772.08 | \$66.48 |
| | 12/31/12 | 07/06/15 | \$1,248.00 | \$903.27 | \$2,151.27 |
| | 12/31/13 | 07/06/15 | \$2,380.00 | \$1,288.00 | \$3,668.00 |
| | 12/31/14 | 06/30/15 | \$1,248.00 | \$356.07 | \$1,604.07 |
| | | | TOTAL: | | \$7,489.82 |



SO. ESSEX #225 Bk: 35074 Pg: 404
07/11/2016 12:07 NML Pg 1/1

Tax Examiner: Examiner Ward

Charlene Hannaford
Acting Deputy Commissioner

SL

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POS

11874

Department of the Treasury - Internal Revenue Service

Form 668 (Y)(c)
(Rev. February 2004)

Notice of Federal Tax Lien

Area:
SMALL BUSINESS/SELF EMPLOYED AREA #1
Lien Unit Phone: (800) 829-3903


Serial Number
207583916

For Optional Use by Recording Office

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer STEPHEN M PEARSON

Residence 30 WAYSIDE AVE
BYFIELD, MA 01922-1432


SO.ESSEX #197 Bk:34857 Pg:323
04/20/2016 10:35 FTL Pg 1/1

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

| Kind of Tax (a) | Tax Period Ending (b) | Identifying Number (c) | Date of Assessment (d) | Last Day for Refiling (e) | Unpaid Balance of Assessment (f) |
|--------------------|-----------------------------|---------------------------|------------------------------|---------------------------------|--|
| 1040 | 12/31/2011 | XXX-XX-0375 | 03/02/2015 | 04/01/2025 | 25465.94 |
| 1040 | 12/31/2012 | XXX-XX-0375 | 07/20/2015 | 08/19/2025 | 69.20 |
| 1040 | 12/31/2013 | XXX-XX-0375 | 07/20/2015 | 08/19/2025 | 130.00 |

| | |
|--|-------------------|
| Place of Filing Registry of Deeds Southern Essex County Salem, MA 01970 | Total \$ 25665.14 |
|--|-------------------|

This notice was prepared and signed at MANHATTAN, NY, on this,
the 08th day of April, 2016.

Signature Cheryl Condert Title ACS SBSE 21-00-0008
for P.A. BELTON (800) 829-3903

(NOTE) Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

2

PD-8

2014040300210 Bk:33200 Pg:21
04/03/2014 02:36 AFFT NOTE Pg 1/2

**AFFIDAVIT REGARDING NOTE SECURED
BY FORECLOSED MORTGAGE
Pursuant to M.G.L. c. 244 Sections 35B and 35C**

Property Address: 30-32 Wayside Avenue, Byfield, Massachusetts

Mortgage: Stephen Pearson to Beverly Co-operative Bank, dated November 1, 2006 recorded at Essex South District Registry of Deeds in Book 26263, Page 431.

Foreclosure Sale Date: April 24, 2014

Foreclosing Mortgage: Beverly Bank f/k/a Beverly Co-operative Bank

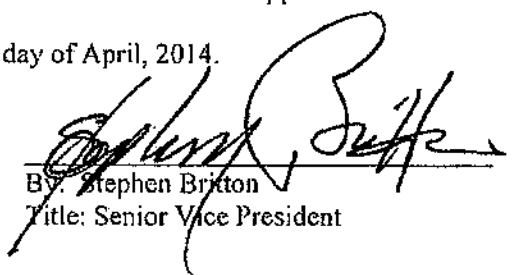
The undersigned Stephen Britton having personal knowledge of the facts herein stated, under oath deposes and says as follows:

- 1. I am (check one)
 - An officer of Beverly Bank f/k/a Beverly Co-operative Bank, where I hold the office of Senior Vice President.
 - A duly authorized agent of Beverly Bank f/k/a Beverly Co-operative Bank.

2. Based upon my review of the business records of BEVERLY BANK f/k/a Beverly Co-operative Bank, I certify that as of the dates when the notices of sale relating to the foreclosure at issue were published and provided pursuant to M.G.L. Chapter 244, Section 14, through and including the Foreclosure Sale Date, the Foreclosing Mortgagee was (check one):

- a. the holder of the promissory note secured by the above mortgage.
 the authorized agent of the holder of said promissory note.
- b. The requirements of G.L.C. 244, Section 35B have been complied with
 The requirements of G.L.C. 244, Section 35B were not applicable

Signed under the pains and penalties of perjury this 2nd day of April, 2014.


BY: Stephen Britton
Title: Senior Vice President

BOX 82

COMMONWEALTH OF MASSACHUSETTS

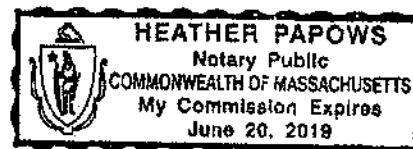
Essex, ss.

On this 2nd day of April, 2014, before me, the undersigned notary public, personally appeared Stephen Britton, as Senior Vice President of Beverly Bank f/k/a Beverly Co-operative Bank, who is personally known to me to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose on behalf of Beverly Bank f/k/a Beverly Co-operative Bank.

Heather Papows

Notary Public:

My Commission Expires:



Commonwealth of Massachusetts
County of Essex
The Superior Court


2013051700394 Bk:32478 Pg:22
05/17/2013 01:37 JUDGE Pg 1/1

CIVIL DOCKET#: ESCV2013-00180-E

Beverly Cooperative Bank
vs.
Stephen Pearson

**DEFAULT JUDGMENT AND
ORDER AUTHORIZING THE FORECLOSURE
OF A MORTGAGE BY ENTRY AND SALE**

This action came upon a Complaint filed under the provisions of the Soldiers' and Sailors' Civil Relief Acts of 1940, as amended, for authority to foreclose a mortgage by entry and by sale under the power of sale as contained in a mortgage on real estate situated at 30 Wayside Avenue, Byfield, MA in the County of Essex and recorded in the Essex County Southern District Registry of Deeds, Book 23800 and 26263, Page 473 and 431 and it appearing that the defendant(s), Stephen Pearson have been defaulted, and thereupon, upon consideration thereof,

It is **ORDERED and ADJUDGED:**

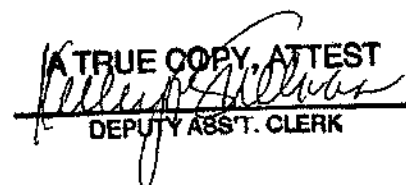
That the plaintiff is hereby authorized to foreclose said mortgage by entry and by sale under the power of sale contained therein.

By the Court, (John T. Lu, Justice)



Thomas H. Driscoll Jr.,
Clerk of the Courts

Entered: 04/25/2013

A TRUE COPY, ATTEST

DEPUTY ASS'T. CLERK

82

Box
82

P.C.S

2013021300130 Bk:32205 Pg:58
02/13/2013 10:22 ORDER NOTC Pg 1/1

**Commonwealth of Massachusetts
County of Essex
The Superior Court**

CIVIL DOCKET# ESCV2013-00180E

RE: Beverly Cooperative Bank v Pearson

ORDER OF NOTICE BY PUBLICATION

TO: Stephen Pearson, Byfield, in the County of Essex; all in said Commonwealth;

AND TO ALL PERSONS ENTITLED TO THE BENEFIT OF THE SERVICE MEMBERS' CIVIL RELIEF ACT OF 1940 AS AMENDED 2003 as amended:

Beverly Cooperative Bank, a banking institution with a usual place of business in Beverly

claiming to be the holder of a mortgage covering property situated at 30 Wayside Avenue, Byfield, Essex County, MA and more fully described in said mortgage.

given by Stephen Pearson; Dated December 22, 2004 and November 11, 2006

recorded in Essex County Southern District Registry of Deeds, Book 23800 and 26263, Page 473 and 431 has filed with said court a Complaint for authority to foreclose said mortgage in the manner following: by entry on and possession of the premises therein described and by exercise of the power of sale contained in said mortgage.

If you are entitled to the benefits of the Service Members' Civil Relief Act of 1940 as amended, and you object to such foreclosure you or your attorney should file a written appearance and answer in said court in said County on or before 03/18/2013 or you may be forever barred from claiming that such foreclosure is invalid under said Act.

Witness, Barbara J. Rouse, Esquire, Chief Justice of the Superior Court, at Lawrence, Massachusetts, this 5th day of February, 2013.

Thomas H. Driscoll Jr.,
Clerk of the Courts

A TRUE COPY, ATTEST
[Signature]
DEPUTY ASS'T. CLERK

EST

AD 8

Form 668 (Z)

(Rev. 10-2000)

11874

Department of the Treasury - Internal Revenue Service

Certificate of Release of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #1
Lien Unit Phone: (800) 913-6050

Serial Number
881317012

For Use by Recording Office

I certify that the following-named taxpayer, under the requirements of section 6325 (a) of the Internal Revenue Code has satisfied the taxes listed below and all statutory additions. Therefore, the lien provided by Code section 6321 for these taxes and additions has been released. The proper officer in the office where the notice of internal revenue tax lien was filed on July 24 2012, is authorized to note the books to show the release of this lien for these taxes and additions.

Name of Taxpayer
STEPHEN M PEARSON

Residence 31 WAYSIDE AVE
BYFIELD, MA 01922-1432

COURT RECORDING INFORMATION:

Liber Page UCC No. Serial No.
31546 262 n/a 2012072400108



| Kind of Tax (a) | Tax Period Ending (b) | Identifying Number (c) | Date of Assessment (d) | Last Day for Refiling (e) | Unpaid Balance of Assessment (f) |
|-----------------|-----------------------|------------------------|------------------------|---------------------------|----------------------------------|
| 6721 | 12/31/2006 | XXX-XX-0375 | 03/02/2009 | 04/01/2019 | 165.00 |
| ***** | | | | | |

Place of Filing

Registry of Deeds
Southern Essex County
Salem, MA 01970

Total \$ 165.00

This notice was prepared and signed at MANHATTAN, NY, on this, the 10th day of October, 2012.

Signature

Title
Operations Manager,
Centralized Case Processing-Lien Unit

(NOTE: Certificate of officer authorized by law to take acknowledgments is not essential to the validity of Certificate of Release of Federal Tax lien Rev. Rul. 71-466, 1971 - 2 C.B. 409)

EF

PDF

Form 668 (Z)
(Rev. 10-2000)

11874 Department of the Treasury - Internal Revenue Service

Certificate of Release of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #1 Lien Unit Phone: (800) 913-6050 Serial Number 508105709 For Use by Recording Office

I certify that the following-named taxpayer, under the requirements of section 6325 (a) of the Internal Revenue Code has satisfied the taxes listed below and all statutory additions. Therefore, the lien provided by Code section 6321 for these taxes and additions has been released. The proper officer in the office where the notice of internal revenue tax lien was filed on January 26 2009 is authorized to note the books to show the release of this lien for these taxes and additions.

2012102300601 Bk:31846 Pg:476 10/23/2012 03:36 RL FTL Pg 1/1

Name of Taxpayer STEPHEN M PEARSON

Residence 31 WAYSIDE AVE BYFIELD, MA 01922-1432

COURT RECORDING INFORMATION: Liber Page UCC No. Serial No. 28269 459 n/a 2009012600255

Table with 6 columns: Kind of Tax (a), Tax Period Ending (b), Identifying Number (c), Date of Assessment (d), Last Day for Refiling (e), Unpaid Balance of Assessment (f). Row 1: 1040, 12/31/2006, XXX-XX-0375, 05/28/2007, 06/27/2017, 10607.52

Place of Filing Registry of Deeds Southern Essex County Salem, MA 01970 Total \$ 10607.52

This notice was prepared and signed at MANHATTAN, NY, on this, the 10th day of October, 2012.

Signature [Signature] Title Operations Manager, Centralized Case Processing-Lien Unit

TD 10

4805

Department of the Treasury - Internal Revenue Service

Form 668 (Y)(c)
(Rev. February 2004)

Notice of Federal Tax Lien

| | | |
|--|----------------------------|--------------------------------------|
| Area: SMALL BUSINESS/SELF EMPLOYED AREA #1 Lien Unit Phone: (800) 913-6050 | Serial Number 881317012 | For Optional Use by Recording Office |
|--|----------------------------|--------------------------------------|

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.



2012072400108 Bk:31546 Pg:262
07/24/2012 09:29 FTL Pg 1/1

Name of Taxpayer STEPHEN M PEARSON

Residence 31 WAYSIDE AVE
BYFIELD, MA 01922-1432

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refilled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

| Kind of Tax (a) | Tax Period Ending (b) | Identifying Number (c) | Date of Assessment (d) | Last Day for Refiling (e) | Unpaid Balance of Assessment (f) |
|-----------------|-----------------------|------------------------|------------------------|---------------------------|----------------------------------|
| 6721 | 12/31/2006 | XXX-XX-0375 | 03/02/2009 | 04/01/2019 | 165.00 |

| | | |
|--|----------|--------|
| Place of Filing Registry of Deeds Southern Essex County Salem, MA 01970 | Total \$ | 165.00 |
|--|----------|--------|

This notice was prepared and signed at MANHATTAN, NY, on this, the 13th day of July, 2012.

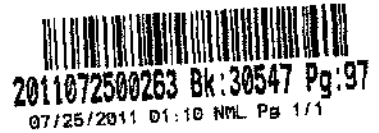
| | | |
|--|--|------------|
| Signature <i>[Signature]</i> for HEATHER E ROBERTS | Title REVENUE OFFICER (781) 835-4242 | 21-04-2780 |
|--|--|------------|

E 309




MASSACHUSETTS DEPT. OF REVENUE
P.O. BOX 7021
BOSTON, MA 02204

Lien Number: 0441 8000 5088
Taxpayer ID Number: XXX XX 0375



NOTICE OF MASSACHUSETTS TAX LIEN

 STEPHEN M. PEARSON
31 WAYSIDE AVE
BYFIELD, MA 01922

PLACE OF FILING
Registry of Deeds: ESSEX COUNTY, SALEM, MA
Secretary of State: BOSTON, MA

Pursuant to the provisions of Section 50 of Chapter 62C of the General Laws, a lien in favor of the Commonwealth of Massachusetts has been placed upon all property and rights to property belonging to the above-named taxpayer(s) for assessed and unpaid taxes, interest and penalties as stated below.

*** Important Release Information:** For each assessment listed below, unless a Notice of Massachusetts Tax Lien is refiled within 10 years and 30 days from the date of each assessment, this notice shall, 10 years and 30 days following the date of such assessment, operate as a Release of Massachusetts Tax lien.

| Tax Type | Period End Date | Assessment Date | Assessment Amounts | Statutory Additions | Balance Due |
|----------|-----------------|-----------------|--------------------|---------------------|-------------------|
| INCOME | 12/31/06 | 04/15/07 | \$3,641.00 | \$2,361.19 | \$5,933.19 |
| | | | | TOTAL: | \$5,933.19 |

Tax Examiner: Ann P. Tynan

Teresa O'Brien-Horan
Deputy Commissioner
Teresa O'Brien-Horan

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JV 9

Commonwealth of Massachusetts

TRIAL COURT OF THE COMMONWEALTH
BOSTON MUNICIPAL COURT DEPARTMENT - CENTRAL DIVISION.

EXECUTION



2011060700162 Bk:30452 Pg:310
06/07/2011 12:49 EXON Pg 1/3

Suffolk, ss.

No. 2010 01 CV 002671

To the Sheriffs of our several Counties or their Deputies or (subject to the limitations of G.L. c.41, ss. 92) any Constable of any City or Town within our said County,

GREETING:

WHEREAS the Plaintiff **GRANITE STATE INSURANCE COMPANY, a corporation of Boston, MA**

recovered judgment against

the Defendant **STEPHEN PEARSON, a/k/a STEPHEN M. PEARSON of Byfield, MA**

Date of Judgment: **October 7, 2010**

for the sum of

| | | |
|--------------|-----------|------------------|
| Damages | \$ | 49,941.12 |
| Costs | \$ | 255.10 |
| TOTAL | \$ | 50,196.22 |

TRUE ATTEST COPY
[Signature]
DEPUTY SHERIFF

WE COMMAND you, therefore of the goods, chattels or lands of said judgment debtor, within your precincts, you cause to be paid and satisfied unto the said judgment creditor, at the value thereof in money, the aforesaid sum, with interest thereon from said day of the rendition of said judgment; and thereof also to satisfy yourself for your own fees.

Hereof fail not, and make return of this writ with your doings thereon unto the Clerk/Magistrate's office of this Court at Boston within our County of Suffolk, within twenty years after date of this judgment or within ten days after this writ has been satisfied or discharged.

Witness, CHARLES R. JOHNSON, Esquire, at Boston

Date of Issue: **October 19, 2010**

[Signature]

Assistant Clerk/Magistrate

ATTORNEY FOR PLAINTIFF:
BRIAN HAYWARD
Smith, Brown, Cullen & Aylward PC
5 Essex Green Drive
PEABODY, MA 01960



Frank G. Cousins, Jr.
Sheriff

Harrison L. Whitney Jr.
Director

Essex County Sheriff's Department
Division of Civil Process

354 Merrimack Street
Suite 332
Lawrence, MA 01840



Telephone:
(978) 750-1900 Ext. 4409
Fax: (978) 683-8205
www.eccf.com

Date: 6/6/2011 Time: 9:32 am

Plaintiff: GRANITE STATE INSURANCE COMPANY

Plaintiff's Attorney: Smith, Levenson, Cullen & Aylward, P.C.
Attorney's telephone number: (978)532-9494

Defendant: **STEPHEN PEARSON, a/k/a STEPHEN M. PEARSON**

Book: 18683 Page: 531

Court of Issue: Boston Municipal Court (Suffolk) Execution # 2010 01 CV 002671

See Attached

By virtue of the attached execution, the original of which is in my hands for the purpose of taking the above described real estate, I have this day levied upon, seized and taken all right, title and interest that the within named Judgment Debtor had in such real estate in Essex County.

Attached is a true copy of this execution on the above so much of my return as relates to the levying upon, seizure, and taking of this real estate on the execution.

And immediately afterward, I suspended the further levy on this execution upon the above described real estate by written request of the attorney for the within named judgment creditor.

[Signature]
Deputy Sheriff

AMESBURY • ANDOVER • BEVERLY • BOXFORD • DANVERS • ESSEX • GEORGETOWN • GLOUCESTER • GROVELAND • HAMILTON • HAVERHILL
IPSWICH • LAWRENCE • LYNN • LYNNFIELD • MANCHESTER • MARBLEHEAD • MERRIMAC • METHUEN • MIDDLETON • NAMANT • NEWBURY • NEWBURYPORT
NORTH ANDOVER • PEABODY • ROCKPORT • ROWLEY • SALEM • SALISBURY • SAUGUS • SWAMPSCOTT • TOPSFIELD • WENHAM • WEST NEWBURY

QUITCLAIM DEED

2002050800699 Bk:18683 Pg:531
05/08/2002 14:19:00 DEED Pg 1/1

I, MICHAEL B. GLYNN, Trustee of The Arbeit Realty Trust, u/d/t dated August 16, 1984 and recorded with the Essex South District Registry of Deeds in Book 7508, Page 504,

for consideration paid of TWO HUNDRED TEN THOUSAND and 00/100 (\$210,000.00) DOLLARS

grant to STEPHEN PEARSON of 30 Wayside Avenue, Byfield, MA with QUITCLAIM COVENANTS

MAIL TO:

The land in Newbury in the County of Essex, called Byfield, with the buildings thereon, bounded and described as follows:

Beginning at a point on the southerly side of Downfall Street, by land of Rogers, thence running Northeasterly by said street to land of Yesair, formerly of Johnson; thence running Southerly by a wall by said land formerly of Johnson to another wall by other land of Yesair, formerly of Johnson; thence running westerly by the last mentioned land to land of Rogers; thence running by said Rogers land Northerly to said Downfall Road and the corner begun at. Together with the right to take water from a certain spring known as "Square Spring" located on the bank of Cart Brook, in the rear of land sometime of Percy Oliver, together with the right of way to said spring over land formerly of Hazen K. Rogers. This spring is subject to the rights of Ralph O. Carruth and others to use the same and to repair and maintain pipes to the same.

Being the same premises conveyed to The Arbeit Realty Trust by deed dated August 16, 1984, and recorded with the Essex South District Registry of Deeds in Book 7508, Page 510. See Appointment of Successor Trustee dated May 1, 2001, and recorded with said Registry of Deeds in Book 17228, Page 237.

WITNESS my hand and seal this 8th day of May, 2002.

SALEM DEEDS REG 10 ESSEX, SOUTH 01
05/08/02 2:17PM 000000 #1443
FEE \$957.40
CASH \$957.50

The Arbeit Realty Trust

By: Michael B. Glynn
Michael B. Glynn, Trustee

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

May 8, 2002

Then personally appeared the above-named Michael B. Glynn, Trustee as aforesaid, and acknowledged the foregoing instrument to be his free act and deed, before me,

Dana P. Jordan
Dana P. Jordan
Notary Public

My Commission Expires: November 10, 2006

105

PDS

& PLANS

2009101400210 Bk:28990 Pg:238
10/14/2009 12:17 DEED Ps 1/1

QUITCLAIM DEED

Locus: 32 Wayside Avenue, Newbury (Byfield) Massachusetts

I, STEPHEN PEARSON, of 30 Wayside Avenue, Byfield, Essex County, Massachusetts
for nominal consideration paid

grant to Stephen Pearson, Trustee of the SMP Realty Trust u/d/t dated June 21, 2006 and
recorded with the Essex So. Dist. Registry of Deeds herewith

with QUITCLAIM COVENANTS

The land with the buildings thereon situated at 32 Wayside Avenue, Newbury, Essex
County Massachusetts, called Byfield and being shown as Lot #2A on a plan entitled:
"Plan of Land, 30 Wayside Avenue in Newbury, MA, prepared for Steve Pearson, Owned
by Mike Glynn by Apple Associates, Inc., 19 Central Street, Byfield, Massachusetts;
Date: 05/15/01, Scale 1" = 40' " which plan is recorded with the Essex So. Dist. Registry
of Deeds herewith and to which reference may be made for a more particular description.

Said Lot #2A contains 66,357 square feet of land, more or less, according to said plan.

Being a portion of the premises conveyed to me by deed The Arbeit Realty Trust,
Michael B. Glynn, Trustee, dated May 8, 2002 and recorded with the Essex So. Dist.
Registry of Deeds in Book 18683, Page 531.

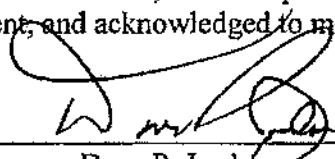
WITNESS my hand and seal this 21st day of June, 2006.


Stephen Pearson

COMMONWEALTH OF MASSACHUSETTS

Essex, ss

On this 21st day of June, 2006, before me, the undersigned notary public,
personally appeared **Stephen Pearson**, proved to me through satisfactory evidence of
identification, which was a Massachusetts Drivers License, to be the person whose name
is signed on the preceding or attached document, and acknowledged to me that he signed
it voluntarily for its stated purpose.


Dana P. Jordan
My commission expires: 10/25/2013

BX 64

E
MS

DP
2

2009012900273 Bk:28281 Pg:53
01/29/2009 03:23 DIS Pg 1/1

DISCHARGE

Beverly Cooperative Bank holder of a Mortgage

From Stephen M. Pearson

To Beverly Cooperative Bank

Dated October 25, 2005 Recorded with Essex South Registry of Deeds


As in Book 24995 and Page 425

Acknowledge Satisfaction of same

Locus: 8 Catherine Way (Lot #4) Salisbury, MA 01952

In witness whereof, the said **Beverly Cooperative Bank**

Has caused its corporate seal to be hereto affixed and these presents to be signed in its name and behalf by William F. Howard its President this 2nd day of January A.D. 2009

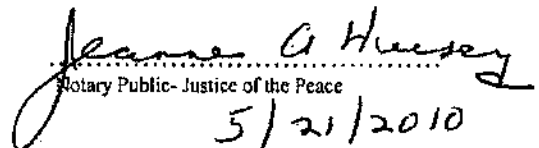

By William F. Howard
President

The Commonwealth of Massachusetts

Essex, ss.

January 2, 2009

On this 2nd day of January, 2009, before me, the undersigned notary public, personally appeared **William F. Howard** proved to me through satisfactory evidence of identification, which was a Mass. driver's license to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she/they signed it voluntarily for its stated purpose, as **President** of Beverly Cooperative Bank.


Notary Public- Justice of the Peace
5/21/2010

CAT

13-3

3723

Department of the Treasury - Internal Revenue Service

Form 668 (Y)(c)
(Rev. February 2004)

Notice of Federal Tax Lien

Area:
SMALL BUSINESS/SELF EMPLOYED AREA #1
Lien Unit Phone: (800) 829-3903

Serial Number
508105709

For Optional Use by Recording Office


2009012600255 Bk:28269 Pg:459
01/26/2009 12:22 FTL Pg 1/1

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer STEPHEN M PEARSON

Residence 31 WAYSIDE AVE
BYFIELD, MA 01922-1432

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refilled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

| Kind of Tax (a) | Tax Period Ending (b) | Identifying Number (c) | Date of Assessment (d) | Last Day for Refiling (e) | Unpaid Balance of Assessment (f) |
|--------------------|-----------------------------|---------------------------|------------------------------|---------------------------------|--|
| 1040 | 12/31/2006 | XXX-XX-0375 | 05/28/2007 | 06/27/2017 | 10607.52 |

| | | |
|--|----------|----------|
| Place of Filing Registry of Deeds Southern Essex County Salem, MA 01970 | Total \$ | 10607.52 |
|--|----------|----------|

This notice was prepared and signed at MANHATTAN, NY, on this,

the 15th day of January, 2009.

| | | |
|--|--------------------------------|------------|
| Signature <i>R. A. Mitchell</i> for THERESA HARLEY | Title ACS (800) 829-3903 | 21-00-0008 |
|--|--------------------------------|------------|

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-486, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

E
2
125-

JV-9

2008123000409 Bk:28221 Pg:377
12/30/2008 03:31 DEED Pg 1/2

Quitclaim Deed

I, **Stephen M. Pearson** of Newbury, Essex County, Massachusetts

for Consideration paid of **Four Hundred Fifty Thousand Dollars (\$ 450,000.00)**

grant to: **Martha J. Ring**, individually

of: **8 Catherine Way, Salisbury, Massachusetts**

MASSACHUSETTS EXCISE TAX
Southern Essex District R00
Date: 12/30/2008 03:31 PM
ID: 673134 Doc# 20081230004090
Fee: \$2,052.00 Cons: \$450,000.00

WITH QUITCLAIM COVENANTS

the land in Salisbury, Essex County, Massachusetts and being described as certain parcel of land situate on the Northeasterly side of Baker Road, Salisbury, Essex County, Massachusetts, being Lot 4 on a plan of land entitled, "Definitive Subdivision Plan Arrowwood Estates Catherine Way Salisbury, Mass." prepared by Raymond Engineering Service dated September 17, 2000, said plan filed in the Essex South District Registry of Deeds at Plan Book 350, Plan 12, and being incorporated herein by reference for a more particular description of the premises hereby conveyed.

The fee in the way shown as Glen Road on said plan is hereby expressly excluded from this conveyance.

Property Address: 8 Catherine Way, Salisbury, MA 01952

For title see deed of Newburyport Five Cents Savings Bank dated October 11, 2005, recorded with Essex South Registry of Deeds in Book 24995, Page 423.

Witness my hand and seal this 30 day of December, 2008


Stephen M. Pearson

Return to:
Singer & Singer, P.C.
607 North Avenue - Suite 17
Wakefield, MA 01880

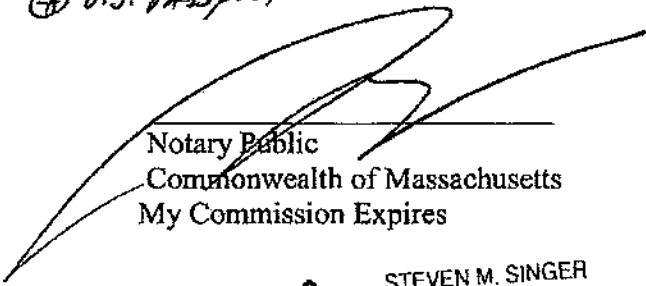
Commonwealth of Massachusetts

Essex;ss.

December 30, 2008

On this 30 day of December, 2008 before me, the undersigned notary public, personally appeared **Stephen M. Pearson**, who proved to me through satisfactory evidence of identification, which was ~~Massachusetts Driver's License~~, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Ⓟ U.S. Passport



Notary Public
Commonwealth of Massachusetts
My Commission Expires



STEVEN M. SINGER
Notary Public
Commonwealth of Massachusetts
My Commission Expires
January 26, 2012

76

Discharge

2007061800093 Bk:26936 Pg:188
06/18/2007 08:49:00 DIS Pg 1/1

Beverly Cooperative Bank

holder of a mortgage

From Stephen Pearson

To Beverly Cooperative Bank

Dated July 14, 2004 Recorded with Essex South Registry of Deeds

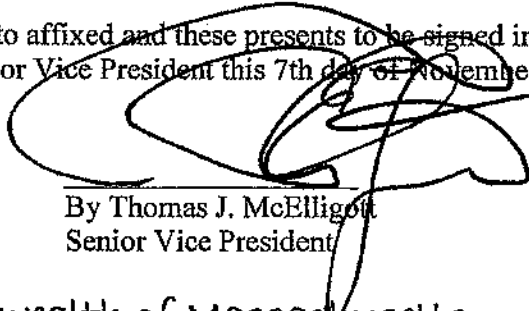
As in Book 23143 and Page 344

Acknowledge Satisfaction of same

Locus: 30 Wayside Avenue, Byfield, MA 01922

In witness whereof, the said **Beverly Cooperative Bank**

Has caused its corporate seal to be hereto affixed and these presents to be signed in its name and behalf by Thomas J. McElligott its Senior Vice President this 7th day of November A.D. 2006



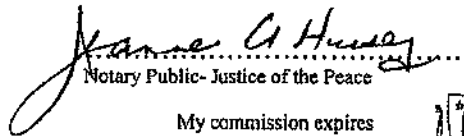
By Thomas J. McElligott
Senior Vice President

The Commonwealth of Massachusetts

Essex, ss.

November 7, 2006

On this 7th day of November, 2006, before me, the undersigned notary public, personally appeared Thomas J. McElligott, proved to me through satisfactory evidence of identification, which was a Mass. driver's license to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she/they signed it voluntarily for its stated purpose, as **Senior Vice President** of Beverly Cooperative Bank.



Notary Public- Justice of the Peace

My commission expires



JEANNE A. HUSSEY
Notary Public
Commonwealth of Massachusetts
My Commission Expires
May 21, 2006

Box
64

6
170

[Space above this line for recording data]

HOME EQUITY LINE OF CREDIT MORTGAGE

MORTGAGE, MADE THIS First day of November, 2006 between the Mortgagor(s), Stephen Pearson of 30 Wayside Avenue, Salem, Massachusetts 01970 (herein "Borrower") and the Mortgagee, Beverly Co-operative Bank having its principal place of business at 254 Cabot Street, Beverly, Massachusetts 01915 (herein "Lender").

WHEREAS, Borrower has entered into a Residential Equity Line of Credit Agreement (herein "Agreement or Note") with the Lender which is dated November 1, 2006 which permits the Borrower to borrow from time to time on a revolving credit basis up to One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) and the Agreement, among its other terms (a) requires the Lender to advance funds from time to time to Borrower up to the above-described maximum line of credit upon the request of Borrower therefor without any discretion in Lender provided the Agreement is still in full force and effect at the time the request is received by the Lender and provided that the Borrower is not in default under the Agreement or under this Mortgage; (b) requires the Borrower to make minimum monthly payments based on a specified formula; (c) anticipates that from time to time there may be no indebtedness outstanding of Borrower to Lender, however, Borrower will have the right thereafter to incur further indebtedness to Lender pursuant to the terms of the Agreement by making a request for an advance under the agreement (it being the intent of the parties that any such advance shall be secured by this Mortgage with the same priority as if such advance had been made on the date of this Mortgage thereby maintaining Lender's mortgage interest in the Property with priority over any and all encumbrances, whether voluntary or involuntary, which attached to the Property and were perfected subsequent to the date of the recording of this Mortgage in the applicable Registry of Deeds, including without limitation, subsequently recorded mortgage, attachments and liens). This Security Instrument secures to lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender, with power of sale, the following described property located in Essex County, Massachusetts:

See Exhibit A Attached Hereto

which has the address of 30 Wayside Avenue & 32 Wayside Avenue, Byfield, Massachusetts 01922 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

2/6/4

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower's monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisitions by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, the prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewals notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not

lessened. If the restoration or repair is not economically feasible or lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's right in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender requires mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. Condemnation. The proceeds of any award or claim for damages direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with an excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security

Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, said Note and/or said Security Instrument shall be deemed to be amended so as to be in compliance with applicable law following said enactment or expiration.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender designates by notice to Lender. Any notice to Lender shall be given by first class mail to lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the Commonwealth of Massachusetts, except that any applicable real estate law of any jurisdiction in which the Property is located shall apply for the purpose of perfecting the mortgage interest and any foreclosure proceedings which might be undertaken hereunder. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The note shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fee; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement which will cause a default under the Note (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured, and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower

to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the STATUTORY POWER OF SALE and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the STATUTORY POWER OF SALE, Lender shall mail a copy of a notice of sale to Borrower, and to other persons prescribed by applicable law, in the manner provided by applicable law. Lender shall publish the notice of sale, and the Property shall be sold in the manner prescribed by applicable law. Lender or its designee may purchase the property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bond and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

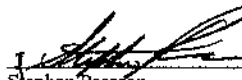
22. Waivers. Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

23. Open-end Mortgage. This mortgage secures a sum lent by the Lender to the Borrower from time to time pursuant to an open-end credit plan as defined in Massachusetts General Laws, Chapter 140D.

24. Senior Mortgage(s). Lender understands that the mortgage lien(s) described below is presently on record and will have priority over the lender's Mortgage: Beverly Co-operative Bank dated 12/22/2004, in the original principal amount of \$180,000.00, and recorded with the Essex South District Registry of Deeds in Book 23800, Page 473.

Borrower agrees that any default under the senior mortgage(s) described above shall constitute a default of this Mortgage and in such event the lender may exercise its rights under its default provisions. If the senior mortgagee(s) is collecting periodically the yearly taxes, assessments, ground rents, or insurance premiums which would otherwise be subject to paragraph 2 hereof, Lender shall not require that such amounts be paid to it as long as the senior mortgagee is collecting the same. To the extent that there is a senior mortgagee, any insurance policy as required in paragraphs 2 or 5 hereof shall name the Lender as a loss payee as its interest may appear.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.


Stephen Pearson

Commonwealth of Massachusetts

Essex, ss:

On this First day of November, 2006, before me, the undersigned notary public, personally appeared Stephen Pearson, proved to me through satisfactory evidence of identification, which were Driver's License; State ID; Passport; Other Government Issued ID; Other, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she/they signed it voluntarily for its stated purpose.

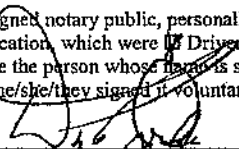

Dana P. Jordan, Notary Public
My Commission Expires: November 10, 2006

EXHIBIT "A"

The land in Newbury in the County of Essex, called Byfield, with the buildings thereon, bounded and described as follows:

Beginning at a point on the southerly side of Downfall Street, by land of Rogers, thence running Northeasterly by said street to land of Yesair, formerly of Johnson; thence running Southerly by a wall by said land formerly of Johnson to another wall by other land of Yesair, formerly of Johnson; thence running westerly by the last mentioned land to land of Rogers; thence running by said Rogers land Northerly to said Downfall Road and the corner begun at. Together with the right to take water from a certain spring known as "Square Spring" located on the bank of Cart Brook, in the rear of land sometime of Percy Oliver, together with the right of way to said spring over land formerly of Hazen K. Rogers. This spring is subject to the rights of Ralph O. Carruth and others to use the same and to repair and maintain pipes to the same.

Subject to an existing first mortgage to Beverly Co-operative Bank dated 12/22/2004, in the original principal amount of \$180,000.00, and recorded with the Essex South District Registry of Deeds in Book 23800, Page 473.

Being the same premises conveyed to me by deed of The Arbeit Realty Trust, Michael B. Glynn, Trustee, dated May 8, 2002, and recorded with the Essex South District Registry of Deeds in Book 18683, Page 531.

EXECUTION

DOCKET NUMBER

200666CV000399Trial Court of Massachusetts
District Court DepartmentCASE NAME **SOUTHWORTH-MILTON, INC. D/B/A MILTON CAT vs. STEPHEN PEARSON D/B/A PEARSON CUSTOM HOMES**

JUDGMENT CREDITOR(S) IN WHOSE FAVOR EXECUTION IS ISSUED

P01 **SOUTHWORTH-MILTON, INC. D/B/A MILTON CAT**

CURRENT COURT

Milford District Court
161 West Street
P.O. Box 370
Milford, MA 01757-0370
(508) 473-1260

JUDGMENT CREDITOR (OR CREDITOR'S ATTORNEY) WHO MUST ARRANGE SERVICE OF EXECUTION

P01 **MICHAEL R. MAKYNEN**
85 MAIN STREET
P.O. BOX 202
HOPKINTON, MA 01748

FURTHER ORDERS OF THE COURT

2006092100022 Bk:26101 Pg:318
09/21/2006 09:41:00 EXON Pg 1/3*Joseph D. Miller*
TRUE ATTEST COPY
DEPUTY SHERIFF

JUDGMENT DEBTOR AGAINST WHOM EXECUTION IS ISSUED

D01 **STEPHEN PEARSON D/B/A PEARSON CUSTOM HOMES**
30 WAYSIDE AVE.
BYFIELD, MA 01922**TO THE SHERIFFS OF THE SEVERAL COUNTIES OR THEIR DEPUTIES, OR (SUBJECT TO THE LIMITATIONS OF G.L. c. 41 § 92) ANY CONSTABLE OF ANY CITY OR TOWN WITHIN THE COMMONWEALTH:**

The judgment creditor(s) named above has recovered judgment against the judgment debtor named above in the amount shown below.

WE COMMAND YOU, therefore, from out of the value of any real or personal property of such judgment debtor found within your territorial jurisdiction, to cause payment to be made to the judgment creditor(s) in the amount of the "Execution Total" shown below, plus additional postjudgment interest as provided by G.L. c. 235 § 8 on the "Judgment Total" shown below commencing from the "Date Execution Issued" shown below at the "Annual Postjudgment Interest Rate" shown below, and to collect your own fees, as provided by law. This Writ of Execution is valid for twenty years from the "Date Judgment Entered" shown below. It must be returned to the court, along with your return of service, within ten days after this judgment has been satisfied or discharged, or after twenty years if this judgment remains unsatisfied or undischarged.

| | |
|--|--------------------|
| 1. Judgment Total | \$14,952.67 |
| 2. Date Judgment Entered | 08/25/2006 |
| 3. Date Execution Issued | 09/05/2006 |
| 4. Number of Days from Judgment to Execution (Line 3 - Line 2) | 11 |
| 5. Annual Postjudgment Interest Rate of 12.00% / 365 = Daily Interest Rate | 0.032877% |
| 6. Postjudgment Interest from Judgment to Execution (Lines 1x4x5) | \$54.08 |
| 7. Postjudgment Costs (if any) | \$0.00 |
| 8. Credits (if any) | \$0.00 |
| 9. EXECUTION TOTAL (Lines 1 + 6 + 7, minus Line 8) | \$15,006.75 |

LEVYING OFFICER: (a) Add daily interest from date execution issued.

(b) Add your fees as provided by law:

TESTE OF FIRST JUSTICE

DATE EXECUTION ISSUED

CLERK-MAGISTRATE/ASST. CLERK

WITNESS: Hon. Robert B. Calagione

09/05/2006

X *Thomas Carrigan*



Frank G. Cousins, Jr.
Sheriff

Richard J. Roaf, Jr.
Director

Robyn Clarke
Office Manager

Essex County Sheriff's Department
Division of Civil Process

381 Common Street
3rd Floor
Lawrence, MA 01840



Telephone:
(978) 683-7810
Fax: (978) 683-8205
www.eccf.com

Date: 9/20/2006 Time: 12:55 pm

Plaintiff: **SOUTHWORTH-MILTON, INC. D/B/A MILTON CAT**

Plaintiff's Attorney: Law Offices of Michael R. Makynen
Attorney's telephone number: (508)435-8526

Defendant: **STEPHEN PEARSON D/B/A PEARSON CUTOM HOMES**

Book: 18683 Page: 531

Court of Issue: Milford District Court Execution # 200666CV000399

See Attached

By virtue of the attached execution, the original of which is in my hands for the purpose of taking the above described real estate, I have this day levied upon, seized and taken all right, title and interest that the within named Judgment Debtor had in such real estate in Essex County.

Attached is a true copy of this execution on the above so much of my return as relates to the levying upon, seizure, and taking of this real estate on the execution.

And immediately afterward, I suspended the further levy on this execution upon the above described real estate by written request of the attorney for the within named judgment creditor.

Deputy Sheriff
Deputy Sheriff

QUITCLAIM DEED

2002050800699 Bk:18583 Pg:531
05/08/2002 14:18:00 DEED Pg 1/1

I, MICHAEL B. GLYNN, Trustee of The Arbeit Realty Trust, u/d/t dated August 16, 1984 and recorded with the Essex South District Registry of Deeds in Book 7508, Page 504,

for consideration paid of TWO HUNDRED TEN THOUSAND and 00/100 (\$210,000.00) DOLLARS

grant to STEPHEN PEARSON of 30 Wayside Avenue, Byfield, MA with QUITCLAIM COVENANTS

MAIL TO:

The land in Newbury in the County of Essex, called Byfield, with the buildings thereon, bounded and described as follows:

Beginning at a point on the southerly side of Downfall Street, by land of Rogers, thence running Northeasterly by said street to land of Yesair, formerly of Johnson; thence running Southerly by a wall by said land formerly of Johnson to another wall by other land of Yesair, formerly of Johnson; thence running westerly by the last mentioned land to land of Rogers; thence running by said Rogers land Northerly to said Downfall Road and the corner begun at. Together with the right to take water from a certain spring known as "Square Spring" located on the bank of Cart Brook, in the rear of land sometime of Percy Oliver, together with the right of way to said spring over land formerly of Hazen K. Rogers. This spring is subject to the rights of Ralph O. Carruth and others to use the same and to repair and maintain pipes to the same.

Being the same premises conveyed to The Arbeit Realty Trust by deed dated August 16, 1984, and recorded with the Essex South District Registry of Deeds in Book 7508, Page 510. See Appointment of Successor Trustee dated May 1, 2001, and recorded with said Registry of Deeds in Book 17228, Page 237.

WITNESS my hand and seal this 8th day of May, 2002.

SALEM
DEEDS REG 10
ESSEX SOUTH
05/08/02 2:17PM
00000 #2443
FEE \$957.40
CRSH \$957.60

The Arbeit Realty Trust

By: Michael B. Glynn
Michael B. Glynn, Trustee

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

May 8, 2002

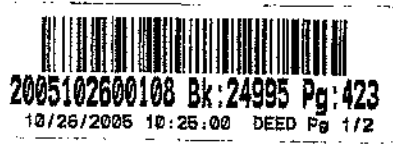
Then personally appeared the above-named Michael B. Glynn, Trustee as aforesaid, and acknowledged the foregoing instrument to be his free act and deed, before me,

Dana P. Jordan
Notary Public

My Commission Expires: November 10, 2006

Prop. Catherine Way Salisbury MA 01901

DEED



NEWBURYPORT FIVE CENTS SAVINGS BANK

a corporation duly established under the laws of Massachusetts and having its usual place of business at 63 State Street Newburyport, Massachusetts 01950

in consideration of \$305,000.00

Grant to Stephen M. Pearson

of Byfield, Essex County, Massachusetts

With QUITCLAIM COVENANTS

the land in Salisbury, Essex County, Massachusetts and being described as certain parcel of land situate on the Northeasterly side of Baker Road, Salisbury, Essex County, Massachusetts, being Lot 4 on a plan of land entitled, "Definitive Subdivision Plan Arrowwood Estates Catherine Way Salisbury, Mass." prepared by Raymond Engineering Service dated September 17, 2000, said plan filed in the Essex South District Registry of Deeds at Plan Book 350, Plan 12, and being incorporated herein by reference for a more particular description of the premises hereby conveyed.

The fee in the way shown as Glen Road on said plan is hereby expressly excluded from this conveyance.

Meaning and intending to convey the property as described in a foreclosure deed dated August 23, 2005 and recorded with the Essex South District Registry of Deeds in book 24741 page 219.

10/26/05

SALEM, MA 019 DEEDS, SOUTH ESSEX COUNTY 10/26/05 10:25:00 01 2005102600108 Bk:24995 Pg:423 FEE \$1390.80 CASH \$1390.80

Executed as a sealed instrument this 11th day of October 2005

NEWBURYPORT FIVE CENTS SAVINGS BANK

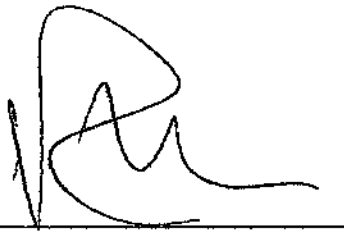
By: 
Richard A. Eaton, President


Janice C. Morse, Treasurer

COMMONWEALTH OF MASSACHUSETTS

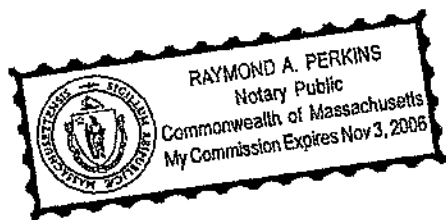
Essex, ss

On this 11th day of October 2005 before me, the undersigned notary public, personally appeared Richard A Eaton, President and Janice C. Morse, Treasurer proved to me through satisfactory evidence of identification which were drivers licenses to be the person whose name is signed on the preceding or attached document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his/her knowledge and belief.




Notary Public

My commission expires: 11-3-2006



Beverly Co-operative Bank
254 Cabot Street
Beverly, MA 01915
Loan No. 05-09-000008
File No: 05-3355


2005102500109 Bk:24995 Pg:425
10/25/2005 10:25:00 MTG Pg 1/20

Handwritten initials/signature

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20, and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated October 25, 2005, together with all Riders to this document.

(B) "Borrower" is Stephen M. Pearson. Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is Beverly Co-operative Bank. Lender is a corporation, organized and existing under the laws of Commonwealth of Massachusetts. Lender's address is 254 Cabot Street, Beverly, Massachusetts 01915. Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated October 25, 2005. The Note states that Borrower owes Lender Three Hundred Forty Thousand and 00/100 Dollars (U.S. \$340,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than October 1, 2035.

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input checked="" type="checkbox"/> Other(s) [specify] EXHIBIT "A". |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Biweekly Payment Rider | |

Handwritten initials/signature

Handwritten initials or signature in the top left corner.

ADJUSTABLE RATE RIDER
(1 Year Treasury Index—Rate Caps)



2006012000242 Bk:25300 Pg:512
01/20/2006 11:18:00 OTHER Pg 1/4

THIS ADJUSTABLE RATE RIDER is made this **25th** day of **October 2005**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to **Beverly Cooperative Bank**

(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

8 Catherine Way (lot #4)
Salisbury, MA 01952-0000

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of **6.0000 %**. The Note provides for changes in the interest rate and the monthly payments as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of **October 2010** and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding **Two and Seven Eighths**

percentage points (**2.8750 %**) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

MULTISTATE ADJUSTABLE RATE RIDER—ARM 5-2—Single Family—
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Fannie Mae 4-2/5-2/6-2 ARM

Form 3111 1/01

ITEM 2004L1 (0011)

(Page 1 of 3 pages)

To Order Call: 1-800-530-9393 Fax: 616-791-1181

GREATLAND ■

MARCO REFERENCE REQUESTED
BOOK **24995** PAGE **425**

Handwritten initials "BY" in the bottom left corner.

Handwritten initials "SP" in the bottom right corner.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than **8.0000 %** or less than **4.0000 %**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than **12.0000 %**.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Section 18 of the Security Instrument is amended to read as follows:


Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 3 of this Adjustable Rate Rider.



Stephen M Pearson (Seal) -Borrower _____ (Seal) -Borrower

(Seal) -Borrower (Seal) -Borrower

(Seal) -Borrower (Seal) -Borrower

MULTISTATE ADJUSTABLE RATE RIDER—ARM 5-2—Single Family—
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Fannie Mae 4-2/5-2/6-2 ARM

ITEM T2064L3 (0011)

(Page 3 of 3 pages)

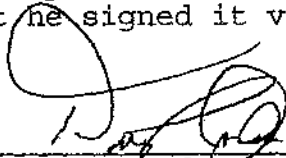
Form 3111 1/01

GREATLAND ■
To Order Call: 1-800-530-9393 □ Fax: 616-791-1131

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

On this 25th day of October, 2005, before me, the undersigned Notary Public, personally appeared Stephen M. Pearson, proved to me through satisfactory evidence of identification, which was a Massachusetts Driver's License, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.



Dana P. Jordan
Notary Public

My Commission Expires: November 10, 2006

2
125

2005100400231 Bk:24911 Pg:144
10/04/2005 10:03:00 DEED Pg 1/2

DEED

LOCUS: 5 Lewis Avenue, Salisbury, MA. 01952

We, **JAMES A. GAGNON, Jr. and STEPHEN PEARSON** of Byfield, Essex County, Massachusetts,

for consideration paid of **TWO HUNDRED THIRTY THOUSAND ONE HUNDRED (\$230,100.00) AND 00/100 DOLLARS**

grant to **ROBERT C. AZIZ and TRACY AZIZ**, husband and wife, as tenants by the entirety, of 21 11th Street, Salisbury, Massachusetts

with *quitclaim covenants*

The land in Salisbury, at Salisbury Beach, and having a street address of 5 Lewis Avenue, Salisbury, Massachusetts 01952, west of North End Boulevard, so-called, leading from Salisbury Beach Center to the New Hampshire State Line, the same being bounded and described as follows:

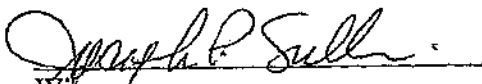
- NORTHERLY** fifty (50) feet by Lewis Avenue, as shown on plan of A.L. Lewis, Salisbury Beach, dated March 15, 1938, recorded with the Essex South District Registry of Deeds;
- EASTERLY** eighty-five (85) feet by Lot #14 as shown on said plan;
- SOUTHERLY** fifty (50) feet by Lot #17 as shown on said plan; and
- WESTERLY** eighty-five (85) feet by Lots 21 and 22 as shown on said plan. The above described land is shown on said plan as Lot No. 18.

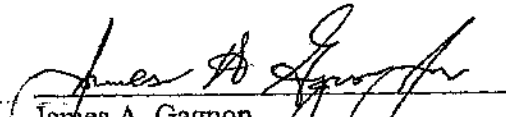
Meaning and intending to convey the same premises conveyed to James A. Gagnon, Jr. and Stephen Pearson by deed of John Cummings, dated March 31, 2005 and recorded with the Essex South District Registry of Deeds on April 5, 2005 in Book 24143, Page 524.

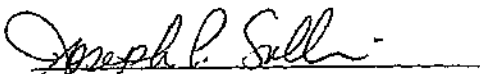
Bx 19
TRK

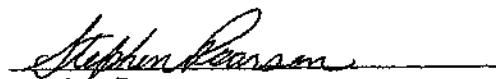
SALEM
DEEDS REG OFF
ESSEX SOUTH DISTRICT
10/04/05 10:03:00
000000 06769
CANCELED
FEE \$1051.00
CASH

EXECUTED as a sealed instrument this 29th day of September, 2005.


Witness


James A. Gagnon


Witness

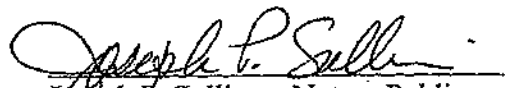

Stephen Pearson

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

September, 29, 2005

On this 29th day of September 2005, before me, the undersigned notary public, personally appeared **JAMES A. GAGNON, Jr. and STEPHEN PEARSON** proved to me through satisfactory evidence of identification, which were Massachusetts Driver's Licenses, to be the persons whose name's are signed on the preceding or attached document, and acknowledged to me that they signed it voluntarily for its stated purpose.


Joseph P. Sullivan, Notary Public
My Commission Expires: 5/21/10

25

PLEASE RETURN TO:

Beverly Cooperative Bank
254 Cabot Street
Beverly, MA 01915


2005060200133 Bk:24372 Pg:273
05/02/2005 10:24:00 DIS Pg 1/1

Discharge of Mortgage

Beverly Co-operative Bank

holder of a mortgage

From Stephen Pearson

To Beverly Cooperative Bank

Dated May 8, 2002 Recorded with Essex South District Registry of Deeds

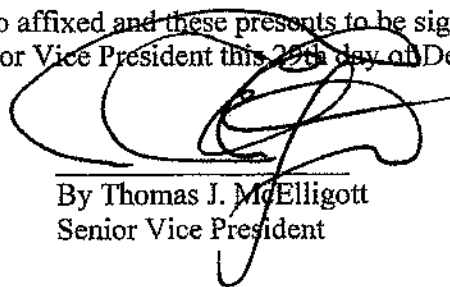
As In Book #18683 and Page #532

Acknowledge Satisfaction of same

Locus: 30 Wayside Avenue, Byfield, MA 01927

In witness whereof, the said **Beverly Cooperative Bank**

Has caused its corporate seal to be hereto affixed and these presents to be signed in its name and behalf by Thomas J. McElligott, its Senior Vice President this 29th day of December A.D. 2004



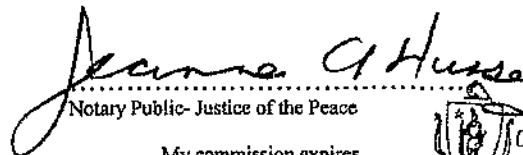
By Thomas J. McElligott
Senior Vice President

The Commonwealth of Massachusetts

Essex, ss.

December 29, 2004

Then personally appeared the above-named Thomas J. McElligott and acknowledge the foregoing instrument to be the free act and deed of Beverly Cooperative Bank before me,



Notary Public- Justice of the Peace
My commission expires



JEANNE A. HUSSEY
Notary Public
Commonwealth of Massachusetts
My Commission Expires
May 21, 2004

Box
64

Beverly Co-operative Bank
254 Cabot Street
Beverly, MA 01915
Loan No. 05-03-000008
File No: 05-3105


2005040500251 Bk:24143 Pg:526
04/05/2005 12:06:00 MTG Pg 1/17

17
175

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20, and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated April 5, 2005, together with all Riders to this document.

(B) "Borrower" is James A. Gagnon, Jr. and Stephen Pearson. Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is Beverly Co-operative Bank. Lender is a corporation, organized and existing under the laws of Commonwealth of Massachusetts. Lender's address is 254 Cabot Street, Beverly, Massachusetts 01915. Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated April 5, 2005. The Note states that Borrower owes Lender One Hundred Twenty Thousand and 00/100 Dollars (U.S. \$120,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than May 1, 2006.

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--|---|--|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input checked="" type="checkbox"/> Other(s) [specify] EXHIBIT "A". |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Biweekly Payment Rider | |

17
64

2
125.-

QUITCLAIM DEED

2005040500250 Bk:24143 Pg:524
04/05/2005 12:06:00 DEED Pg 1/2

I, **John Cummings**, of Haverhill, Essex County, Massachusetts

For One Hundred Fifty Thousand and 00/100 (\$150,000.00) Dollars **Consideration Paid**

Grant to James A. Gagnon, Jr. of 19 Moody Street, Byfield, Massachusetts 01922 and Stephen Pearson, of 30 Wayside Avenue, Byfield, Massachusetts 01922, as joint tenants with right of survivorship

WITH QUITCLAIM COVENANTS

The land in said Salisbury, at Salisbury Beach, and having a street address of 5 Lewis Avenue, Salisbury, Massachusetts 01952, west of North End Boulevard, so-called, leading from Salisbury Beach Center to the New Hampshire State Line, the same being bounded and described as follows:


- NORTHERLY fifty (50) feet by Lewis Avenue, as shown on plan of A.L. Lewis, Salisbury Beach, dated March 15th, 1938, recorded with the Essex South District Registry of Deeds;
- EASTERLY eighty-five (85) feet by Lot #14 as shown on said plan;
- SOUTHERLY fifty (50) feet by Lot #17 as shown on said plan; and
- WESTERLY eighty-five (85) feet by Lots 21 and 22 as shown on said plan. The above described land is shown on said plan as Lot No. 18.

For back title reference see deed of Alice A. Carpentier to John Cummings dated July 3, 1948 and recorded with the Essex South District Registry of Deeds, Book 3539, Page 439.

97/64

04/05/2005 12:06:00
 DEEDS SOUTH
 ESSEX SOUTH
 CANCELLED
 21
 \$684.00
 \$684.00


WITNESS my hand and seal this 31st day of March, 2005.

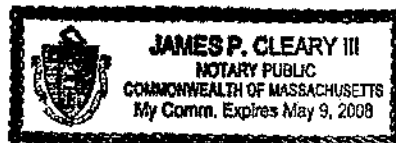

John Cummings

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

On this 31st day of March, 2005, before me, the undersigned Notary Public, personally appeared the above-named John Cummings, proved to me by satisfactory evidence of identification, being (check whichever applies): [] driver's license or other state or federal governmental document bearing a photographic image, [] oath or affirmation of a credible witness known to me who knows the above signatory, or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him, as his free act and deed, voluntarily for its stated purpose.


Notary Public: James P. Cleary III
My Commission Expires: May 9, 2008
Qualified in the Commonwealth of Massachusetts



17
12
Beverly Co-operative Bank
254 Cabot Street
Beverly, MA 01915
Loan No. 04-11-000004
File No: 04-3036

Beverly

2004122800444 Bk:23800 Pg:473
12/28/2004 12:45:00 MTG Pg 1/17

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MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20, and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated December 22, 2004, together with all Riders to this document.

(B) "Borrower" is Stephen Pearson. Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is Beverly Co-operative Bank. Lender is a corporation, organized and existing under the laws of Commonwealth of Massachusetts. Lender's address is 254 Cabot Street, Beverly, Massachusetts 01915. Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 22, 2004. The Note states that Borrower owes Lender One Hundred Eighty Thousand and 00/100 Dollars (U.S. \$180,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than January 1, 2035.

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--|---|--|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input checked="" type="checkbox"/> Other(s) [specify] EXHIBIT "A". |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Biweekly Payment Rider | |

5/17

[Space above this line for recording data]

HOME EQUITY LINE OF CREDIT MORTGAGE

MORTGAGE, MADE THIS 14th day of July, 2004 between the Mortgagor(s), Stephen Pearson of 30 Wayside Avenue, Byfield, Massachusetts 01922 (herein "Borrower") and the Mortgagee, Beverly Co-operative Bank having its principal place of business at 254 Cabot Street, Beverly, Massachusetts 01915 (herein "Lender").

WHEREAS, Borrower has entered into a Residential Equity Line of Credit Agreement (herein "Agreement or Note") with the Lender which is dated July 14, 2004 which permits the Borrower to borrow from time to time on a revolving credit basis up to Eighty Thousand and 00/100 Dollars (\$80,000.00) and the Agreement, among its other terms (a) requires the Lender to advance funds from time to time to Borrower up to the above-described maximum line of credit upon the request of Borrower therefor without any discretion in Lender provided the Agreement is still in full force and effect at the time the request is received by the Lender and provided that the Borrower is not in default under the Agreement or under this Mortgage; (b) requires the Borrower to make minimum monthly payments based on a specified formula; (c) anticipates that from time to time there may be no indebtedness outstanding of Borrower to Lender, however, Borrower will have the right thereafter to incur further indebtedness to Lender pursuant to the terms of the Agreement by making a request for an advance under the agreement (it being the intent of the parties that any such advance shall be secured by this Mortgage with the same priority as if such advance had been made on the date of this Mortgage thereby maintaining Lender's mortgage interest in the Property with priority over any and all encumbrances, whether voluntary or involuntary, which attached to the Property and were perfected subsequent to the date of the recording of this Mortgage in the applicable Registry of Deeds, including without limitation, subsequently recorded mortgage, attachments and liens). This Security Instrument secures to lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender, with power of sale, the following described property located in Byfield, Essex County, Massachusetts:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

which has the address of 30 Wayside Avenue, Byfield, Massachusetts 01922 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

PK64

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower's monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisitions by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, the prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewals notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's right in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender requires mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

2004071900485 Bk:23143 Pg:345
07/19/2004 13:38:00 MTG Pg 2/5

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with an excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, said Note and/or said Security Instrument shall be deemed to be amended so as to be in compliance with applicable law following said enactment or expiration.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender designates by notice to Lender. Any notice to Lender shall be given by first class mail to lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the Commonwealth of Massachusetts, except that any applicable real estate law of any jurisdiction in which the Property is located shall apply for the purpose of perfecting the mortgage interest and any foreclosure proceedings which might be undertaken hereunder. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The note shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fee; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

2004071900485 BK:23143 Pg:346
07/19/2004 13:38:00 MTG Pg 3/5

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement which will cause a default under the Note (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured, and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the STATUTORY POWER OF SALE and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the STATUTORY POWER OF SALE, Lender shall mail a copy of a notice of sale to Borrower, and to other persons prescribed by applicable law, in the manner provided by applicable law. Lender shall publish the notice of sale, and the Property shall be sold in the manner prescribed by applicable law. Lender or its designee may purchase the property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bond and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

22. Waivers. Borrower waives all rights of homestead exemption in the Property and relinquishes all rights of curtesy and dower in the Property.

23. Open-end Mortgage. This mortgage secures a sum lent by the Lender to the Borrower from time to time pursuant to an open-end credit plan as defined in Massachusetts General Laws, Chapter 140D.

24. Senior Mortgage(s). Lender understands that the mortgage lien(s) described below is presently on record and will have priority over the lender's Mortgage: Beverly Co-operative Bank, dated May 8, 2002, in the original principal amount of \$168,000.00, and recorded with the Essex South District Registry of Deeds in Book 18683, Page 532.

Borrower agrees that any default under the senior mortgage(s) described above shall constitute a default of this Mortgage and in such event the lender may exercise its rights under its default provisions. If the senior mortgagee(s) is collecting periodically the yearly taxes, assessments, ground rents, or insurance premiums which would otherwise be subject to paragraph 2 hereof, Lender shall not require that such amounts be paid to it as long as the senior mortgagee is collecting the same. To the extent that there is a senior mortgagee, any insurance policy as required in paragraphs 2 or 5 hereof shall name the Lender as a loss payee as its interest may appear.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Witnesses:


Dana P. Jordan


Stephen Pearson

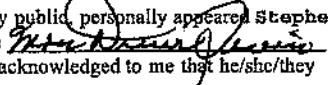
(Seal)

—Borrower

2004071900485 Bk:23143 Pg:347
07/19/2004 13:38:00 MTC Pg 4/5

Commonwealth of Massachusetts

Essex, ss:

On this 14th day of July, 2004, before me, the undersigned notary public, personally appeared Stephen Pearson, proved to me through satisfactory evidence of identification, which were  to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she/they signed it voluntarily for its stated purpose.


Dana P. Jordan

My Commission Expires: November 10, 2006

(Seal)

—Notary Public

EXHIBIT "A"

2004071900485 Bk:23143 Pg:348
07/19/2004 13:38:00 MTG Pg 5/5

The land in Newbury in the County of Essex, called Byfield, with the buildings thereon, bounded and described as follows:

Beginning at a point on the southerly side of Downfall Street, by land of Rogers, thence running Northeasterly by said street to land of Yesair, formerly of Johnson; thence running Southerly by a wall by said land formerly of Johnson to another wall by other land of Yesair, formerly of Johnson; thence running westerly by the last mentioned land to landl of Rogers; thence running by said Rogers land Northerly to said Downfall Road and the corner begun at. Together with the right to take water from a certain spring known as "Square Spring" located on the bank of Cart Brook, in the rear of land sometime of Percy Oliver, together with the right of way to said spring over land formerly of Hazen K. Rogers. This spring is subject to the rights of Ralph O. Carruth and others to use the same and to repair and maintain pipes to the same.

Subject to an existing first mortgage to Beverly Co-operative Bank dated May 8, 2002, in the original principal amount of \$168,000.00, and recorded with the Essex South District Registry of Deeds in Book 18683, Page 532.

Being the same premises conveyed to me by deed of The Arbeit Realty Trust, Michael B. Glynn, Trustee, dated May 8, 2002, and recorded with the Essex South District Registry of Deeds in Book 18683, Page 531.

D

DISCHARGE OF MORTGAGE

Countrywide Home Loans, Inc. (fka. Countrywide Funding Corporation) holder of a mortgage

From NANCY J BARKER AND
STEPHEN F PEARSON

Property 18 PERKINS STREET
Address GLOUCESTER, MA 01930

2002021200654 Bk:18317 Pg:156
02/12/2002 13:16:00 DIS Pg 1/1

to POWDER HOUSE MORTGAGE COMPANY dated 02/01/1994 recorded with Essex County Registry of Deeds, for the state of Massachusetts in Book 12422, Page 199, Doc # acknowledge satisfaction of the same.

Assigned in Book 12422, Page 208

Date:
Inst #:
Book: N/A
Page: N/A

WITNESS my hand and seal this 24 day of March 1997.

Donna Love
Donna Love

Ingrid Gray
Ingrid Gray

Nerissa Poon
Nerissa Poon

Countrywide Home Loans, Inc. (fka. Countrywide Funding Corporation)

By: Judy Lester
Judy Lester
Assistant Secretary

By: George Hail
George Hail
Assistant Secretary

State of TEXAS)
County of COLLIN) ss.

Dated 03/24/1997

Then personally appeared the above named Judy Lester Assistant Secretary and George Hail Assistant Secretary of Countrywide Home Loans, Inc. (fka. Countrywide Funding Corporation) and acknowledged the foregoing instrument to be the free act and deed, before me a Notary Public.

Patrice Goodwin
Patrice Goodwin Notary Public

My commission expires 04/22/2000



Mail Recorded Satisfaction To:
NANCY J BARKER AND
18 PERKINS ST
GLOUCESTER MA 01930

Document Prepared By:
Lisa Abercrombie
6400 Legacy Drive
MSN PTX-41, Plano, TX 75024

PORTER & COAKLEY
BOX 36

CHL Loan # 8804165

17
33
Beverly Co-operative Bank
254 Cabot Street
Beverly, MA 01915

Loan No. 100101132
File No: 02-1803


2002050800700 Bk:18583 Pg:532
05/09/2002 14:18:00 MTG Pg 1/17

[Space Above This Line For Recording Data]

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20, and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **May 8, 2002**, together with all Riders to this document.

(B) "Borrower" is **Stephen Pearson**. Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **Beverly Co-operative Bank**. Lender is a corporation, organized and existing under the laws of **Commonwealth of Massachusetts**. Lender's address is **254 Cabot Street, Beverly, Massachusetts 01915**. Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated **May 8, 2002**. The Note states that Borrower owes Lender **One Hundred Sixty-Eight Thousand and 00/100 Dollars** Dollars (U.S. \$**168,000.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **June 1, 2032**.

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all riders to this Security Instrument that are executed by Borrower. The following riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--|---|--|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input checked="" type="checkbox"/> Other(s) [specify] EXHIBIT "A" |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Biweekly Payment Rider | |

QUITCLAIM DEED

2002050800699 Bk:16583 Pg:531
05/08/2002 14:18:00 DEED Pg 1/1

I, MICHAEL B. GLYNN, Trustee of The Arbeit Realty Trust, u/d/t dated August 16, 1984 and recorded with the Essex South District Registry of Deeds in Book 7508, Page 504,

for consideration paid of TWO HUNDRED TEN THOUSAND and 00/100 (\$210,000.00) DOLLARS

grant to STEPHEN PEARSON of 30 Wayside Avenue, Byfield, MA with QUITCLAIM COVENANTS

MAIL TO:

The land in Newbury in the County of Essex, called Byfield, with the buildings thereon, bounded and described as follows:

Beginning at a point on the southerly side of Downfall Street, by land of Rogers, thence running Northeasterly by said street to land of Yesair, formerly of Johnson; thence running Southerly by a wall by said land formerly of Johnson to another wall by other land of Yesair, formerly of Johnson; thence running westerly by the last mentioned land to land of Rogers; thence running by said Rogers land Northerly to said Downfall Road and the corner begun at. Together with the right to take water from a certain spring known as "Square Spring" located on the bank of Cart Brook, in the rear of land sometime of Percy Oliver, together with the right of way to said spring over land formerly of Hazen K. Rogers. This spring is subject to the rights of Ralph O. Carruth and others to use the same and to repair and maintain pipes to the same.

Being the same premises conveyed to The Arbeit Realty Trust by deed dated August 16, 1984, and recorded with the Essex South District Registry of Deeds in Book 7508, Page 510. See Appointment of Successor Trustee dated May 1, 2001, and recorded with said Registry of Deeds in Book 17228, Page 237.

WITNESS my hand and seal this 8th day of May, 2002.

SALEM DEEDS REG 10 ESSEX SOUTH
05/08/02 2:17PM 01
000050 #1443
FEE \$957.60
CASH \$957.60

The Arbeit Realty Trust

By: Michael B. Glynn
Michael B. Glynn, Trustee

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

May 8, 2002

Then personally appeared the above-named Michael B. Glynn, Trustee as aforesaid, and acknowledged the foregoing instrument to be his free act and deed, before me,

Dana P. Jordan
Dana P. Jordan
Notary Public

My Commission Expires: November 10, 2006