



Interoffice Memorandum

AGENDA ITEM

February 8, 2019

TO: Mayor Jerry L. Demings
-AND-
Board of County Commissioners

FROM: Jon V. Weiss, P.E., Director
Community, Environmental, and Development
Services Department

**CONTACT PERSON: Mitchell Glasser, Manager
Housing and Community Development Division
(407) 836-5190**

SUBJECT: February 12, 2019 – Consent Item
Multi-Family Affordable Housing
Developer's Agreement for Impact Fee Subsidy

During the State of Florida 2016 application cycle for State Apartment Incentive Loan (SAIL) Financing for Affordable Multi-Family Housing, Orange County committed to provide a local government contribution of up to \$75,000 to the Emerald Villas Phase Two, LLC as an affordable senior housing development. The local government contribution was used to secure low interest SAIL financing that will provide an equity contribution to the project. An agreement containing all the conditions and requirements for the \$75,000 has been prepared. The proposed development will be located at 3204 El Primo Way in Orlando and will consist of 96 units. The units will be rented to low income households whose incomes do not exceed 60 percent of the area median income, and shall remain affordable for a period of 15 years.

On March 24, 2017, Florida Housing Finance Corporation (FHFC) approved the SAIL loan for Emerald Villas Phase Two development. The developer meets all of the conditions and requirements and is eligible for the local government contribution to assist with the cost of the project's impact fees. The local government contribution funds are currently budgeted under our State Housing Initiative Partnership Program (SHIP). FHFC requires that a subordination agreement is executed along with our developer's agreement for impact fee subsidy to ensure that our agreement remains subordinate to the State of Florida, the senior lender. In addition, FHFC issued a Multi-family Mortgage Revenue Bond for financing the project, which is being funded through Bank of America (the first mortgagee). Bank of America requires all other lenders in the

project to enter into an Intercreditor Funding and Standstill Agreement which is another form of a subordination agreement.

The County Attorney's Office has reviewed the Multi-family Affordable Housing Developer's Agreement, Subordination Agreement, and Intercreditor Funding and Standstill Agreement as to form.

ACTION REQUESTED: Approval and execution of 1) Multi-Family Affordable Housing Developer's Agreement for Impact Fee Subsidy by and between Orange County, Florida and Emerald Villas Phase Two, LLC, in the amount of \$75,000 and 2) approval of Subordination Agreement (Emerald Villas Phase Two/ SAIL & ELI RFA 2016-109 (2016-367BS)) by and among Florida Housing Finance Corporation, Orange County, Florida and Emerald Villas Phase Two, LLC and Intercreditor Funding and Standstill Agreement among Bank of America, N.A., Florida Community Loan Fund, Inc., Florida Housing Finance Corporation, Neighborhood Lending Partners of Florida, Inc., Orange County, Florida and Emerald Villas Phase Two, LLC in substantially the form attached hereto and delegation of authority to the Manager of the Housing and Community Development Division to execute such agreements and approve any minor changes thereto. District 2

JVW:MG/am
Attachments

BCC Mtg. Date: February 12, 2019

Prepared by and return to:
Orange County Housing and Community Development Div.
525 E. South Street
Orlando, FL 32801-2891

MULTI-FAMILY AFFORDABLE HOUSING DEVELOPER'S AGREEMENT FOR IMPACT FEE SUBSIDY

THIS AGREEMENT is entered into by and between ORANGE COUNTY, FLORIDA, a charter county and political subdivision of the State of Florida, (hereinafter referred to as "the County") and EMERALD VILLA PHASE TWO, LLC, a Florida limited liability company (hereinafter the "Developer").

RECITALS

WHEREAS, The Developer owns and intends to develop a senior citizen multi-family rental affordable housing project to be known as Emerald Villas Phase Two (hereinafter referred to as "the Project"), on that certain tract of real property described in Exhibit "A", attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, the County executed a Local Government Contribution commitment as support for the Project in connection with the Developer's response to RFA 2016-109, "SAIL Financing of Affordable Multifamily Housing Developments to be used in conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits" solicited by Florida Housing Finance Corporation ("FHFC"); and

WHEREAS, the Developer has received an allocation of bond financing together with non-competitive housing tax credits from FHFC for the Project; and

WHEREAS, the County finds that creating affordable housing opportunities for low and extremely low income residents of Orange County, Florida to be a valid public purpose under the laws of Florida; and

WHEREAS, the County adopted Resolution **2018-M-14** for the implementation and administration of the Local Housing Assistance Plan under Florida's State Housing Initiatives Partnership (SHIP) Program; and

WHEREAS, the Board of County Commissioners supports the utilization of SHIP funds for rental activities for the purpose of providing affordable rental units for lower income Orange County residents.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

Section 1. Recitals. The above recitals are true and correct and are incorporated herein as a material part of this Agreement.

Section 2. Definitions. In construing this Agreement the following words, phrases and terms shall have the following meanings, unless the context requires otherwise:

- A. *Affordable* shall be defined as a rental development in which a minimum forty percent (40%) of the units must be rented to a household whose annual income does not exceed sixty percent (60%) of the area median income.
- B. *Orlando Metropolitan Statistical Area ("MSA")* shall include the areas of Orange, Lake, Seminole, and Osceola counties.

Section 3. Scope of Project. The Project shall consist of ninety six (96) units in total. Of the total units, ten (10) units shall be set aside and rented only to those households with one member age fifty-five (55) years or older whose household income does not exceed forty percent (40%) of the MSA median income. Of the total units, eighty six (86) units shall be set aside and rented only to those households with one member age fifty-five (55) years or older whose income does not exceed sixty percent (60%) of the MSA median income, subject to any exceptions/exemptions allowed by the Housing for Older Persons Act of 1995.

Section 4. Payment of Law Enforcement, Fire/Rescue, Road, and Parks/Recreation Impact Fees

A. The Developer shall make payment of all law enforcement, fire/rescue, road, parks/recreation impact fees, and sewer and water connection fees upon submittal of its building permit application with Orange County.

B. The County has designated SHIP funds to partially offset project impact fees and necessary infrastructure fees paid by the Developer. Such funds shall not exceed Seventy Five Thousand Dollars (\$75,000) and shall be disbursed to the Developer in the form of a 0 percent, 15 year deferred loan, and in accordance with applicable federal, state and county laws, rules and regulations. The loan will be secured by a mortgage and promissory note, herein incorporated as Exhibit B, and shall be recorded against the property. The Developer shall request, in writing, reimbursement for the payment of impact fees and infrastructure fees paid to Orange County. Requests for reimbursement shall be supported by source documentation, e.g. Building Department Impact Fee receipts/invoices for all fees paid. The County, through its Housing and Community Development Division, shall review all source documentation and remit payment to Developer for all authorized expenditures.

Section 5. Exemption of Payment of School Impact Fees – Senior Housing. Section 23-161(6) Chapter 23, Article V, Orange County Code, provides for exemption of payment

of School Impact Fees for senior housing that prohibits permanent residence by persons under the age of eighteen (18). Such prohibition shall be formalized by recorded deed restriction, recorded declaration of covenants and restrictions, or recorded plat restrictions and shall qualify as one of the three (3) types of communities designed for older persons in the Housing for Older Person Act, 42 U.S.C. § 3607(b). in order to receive the exemption from payment of school impact fees.

Section 6. Restrictive Covenant.

A. The Developer acknowledges that this Agreement creates a restrictive covenant and that such covenant shall run with the Property.

B. The Developer, its successors, and assigns shall utilize the Property for the rental of ninety six (96) multi-family housing units. Such units will be rented to individuals and families whose income does not exceed those identified in Section 3.A of this Agreement. Rent levels shall be in accordance with Section 42 of the Internal Revenue Code of 1986, as amended, and Section 8 of this Agreement, for a period of fifteen (15) years from the date of issuance of the first certificate of occupancy for the Project. Provided further, however, that any of Developer's construction loan lenders, permanent loan lenders or any subsequent mortgagee shall, at its option, have the right to foreclose on the Property with this restrictive covenant in place or, in the alternative, to pay to the County the principal amount of Seventy Five Thousand Dollars (\$75,000) in order to obtain from the County a release of the restrictive covenant provisions as set forth herein. Developer's construction loan lenders, permanent loan lender or any subsequent mortgagee seeking such release shall pay for the cost of recording said release and any other expenses incident thereto.

Section 7. Income Verification.

A. The Developer shall verify the household income of the occupants of the set-aside affordable units prior to the initial occupancy of such units. Income verifications shall be performed for such units on an annual basis thereafter.

B. The Developer shall maintain complete and accurate records of the income for each of the qualifying occupants and the rents charged for the set-aside units. All records shall be maintained in accordance with Chapter 67-37, Florida Administrative Code, or the HUD income limits, whichever is more restrictive. The Developer shall permit any duly authorized representative of Orange County to inspect the books and records upon reasonable notice.

C. The Developer shall furnish to the County's Housing and Community Development Division a copy of the Annual Owner's Certificate of Housing Credit Program Compliance Form AOC-1, Program Report Summary Form PR-1 and Recap of Tenant Income Certification Form AR-1 submitted to FHFC. Copies shall be submitted

on annual basis subsequent to the issuance of the first certificate of occupancy for the Project.

Section 8. Rents, Lease Provisions and Administration.

A. The Developer agrees that the initial gross rents charged for the set-aside affordable units shall comply with the gross rent restrictions established by FHFC or the HUD income limits, whichever is more restrictive, and shall not exceed thirty percent (30%) of the imputed income limitation applicable to each set-aside affordable unit adjusted for family size and number of bedrooms in accordance with Section 42(g)(2)(c) of the Internal Revenue Code of 1986, as amended. For purposes of this Agreement, gross rent shall include a utility allowance in accordance with Section 42(g)(2)(B) (ii) of the Internal Revenue Code of 1986, as amended.

B. The Developer may, for good cause, refuse to rent the housing units to individuals or families who otherwise meet the income and eligibility guidelines set forth herein. Good cause may include, but shall not be limited to, the failure of the applicant to comply with the terms and conditions of past rental agreements.

C. For purposes of complying with the requirements of this Agreement, if the income of an individual or family renting a set-aside affordable unit initially meets the applicable income limitation at the commencement of occupancy of the unit, the income of such individual or family shall be treated as continuing to not exceed the applicable income limits so long as the rent charged for such set-aside affordable unit remains in accordance with the gross rent restrictions established by FHFC and Section 8 of this Agreement. The preceding sentence shall cease to apply to any individual or family whose income, as of the most recent determination, exceeds one hundred forty percent (140%) of the applicable income limit, if after such determination, but before the next income determination, any set-aside affordable unit of comparable or smaller size in the building is occupied by a new resident whose income exceeds the applicable income limit for very low or low income tenants as defined in Orange County Administrative Regulation No. 4.08, or the HUD Regulations, whichever is more restrictive.

D. Developer shall not be deemed to have breached this Agreement if, in verifying the household income of the occupants of the set-aside affordable units, Developer (i) has relied in good faith upon information supplied to Developer by the occupant; (ii) has no reason to believe such information is false; and (iii) shall have complied with all requirements of this Agreement with respect to verification of household income.

E. Notwithstanding anything contained herein to the contrary, in the event that the requirements set forth in this Section 8 shall in any manner conflict with the provisions of Section 42 of the Internal Revenue Code of 1986, as may be amended from time to time, the provisions of the Internal Revenue Code shall control.

Section 9. Enforcement. If the Developer breaches any provision set forth in this Agreement, other than the affordability levels contained in Section 6 and the rental requirements contained in Section 8, the Developer shall cure the breach within thirty (30) days of receiving notice of such breach. In the event that the Developer is unable to cure the breach within the allotted thirty (30) days, the Developer shall request an extension of time not to exceed ninety (90) days. Any such request for extension shall be made in writing and shall be submitted to the County within the first thirty (30) days' time period. In such instances where the Developer is unable to correct the breach within the allotted thirty (30) day time period, the Developer shall commence such correction(s) within the ninety (90) days, and thereafter diligently pursue the same to completion within such period. In the event that the Developer fails to comply with the requirements of this Section, the Developer shall pay to the County the principal amount of Seventy Five Thousand Dollars (\$75,000), whereupon the documents evidencing and securing the loan of the SHIP funds shall be cancelled/satisfied and Developer shall have no further obligations to the County hereunder.

Section 10. Disqualified Units. If the Developer rents any of the set-aside affordable units to individuals or families whose income is not in accordance with the affordability level provided for in Section 6 of this Agreement or rents any such unit above the applicable rental rate required herein, the Developer shall be deemed to be in default of this Agreement resulting in the disqualification of the set-aside units. Upon the disqualification of any set-aside affordable unit(s), Developer shall pay to the County the principal amount equal to the pro-rata total sum of discounts of impact fees received by the Developer for such unit(s).

Section 11. Foreclosure.

A. If any of Developer's construction loan lenders, permanent loan lenders or any subsequent mortgagee (other than HUD) forecloses on the Property, such lender or subsequent mortgagee shall, at its option, have the right to foreclose with the restrictive covenant contained in Section 6 in place or, in the alternative, pay to the County the principal amount of Seventy Five Thousand Dollars (\$75,000) in order to obtain from the County a Release of this Agreement.

B. Any of Developer's construction loan lenders, permanent loan lenders or any subsequent mortgagee (other than HUD), shall pay for the cost of recording any such Release and any other expenses incident thereto. All other rights, duties, and obligations in this Agreement shall be subordinate to the provisions of the first mortgage encumbering the Property.

Section 12. Sale or Transfer of the Project or any Building. The Developer shall not sell, exchange, assign, convey, transfer or otherwise dispose of the Property, the Project or any building in the Project without prior written notice to the County.

Section 13. Nondiscrimination. The Developer shall not discriminate in the

performance of this Agreement in regard to race, color, creed, age, national origin, sex, sexual orientation, religion, ancestry, physical handicap or marital status.

Section 14. Waiver of Breach. Waiver of breach of one covenant or condition of this Agreement is not a waiver of breach of other covenants and conditions of this Agreement, or of a subsequent breach of the waived covenants or conditions.

Section 15. Applicable Law. This Agreement and the provisions contained herein shall be construed, controlled and interpreted according to the laws of the State of Florida.

Section 16. Notices. Any notices required or allowed hereunder shall be in writing and given by certified mail, return receipt requested, or in person with proof of delivery, to the addresses below, or such other address as either party shall have specified by written notice to the other party delivered in accordance herewith:

DEVELOPER: Emerald Villas Phase Two, LLC
c/o Related Group
315 Biscayne Boulevard
Miami, FL 33130
Attn: Tony Del Pozzo

COUNTY: Orange County
Housing and Community Development Division
525 East South Street
Orlando, FL 32801
Attn: Manager

CONSTRUCTION
LENDERS: Bank of America, N.A.
101 Kennedy Boulevard, 6th Floor
Tampa, FL 33602
Attn: Karla Carter

U.S. Bank National Association
550 West Cypress Creek Road, Suite 390
Fort Lauderdale, FL 33309
Attn: Scott Schuhle

PERMANENT
LOAN LENDER: Florida Community Loan Fund, Inc.
501 N. Magnolia Avenue, Suite 100
Orlando, Florida 32801
Attention: Nanci Gardner

COPY: County Administrator
Orange County Administration
201 S. Rosalind Ave.
Orlando, Florida 32802

Section 17. Incorporation of County Policies. This Agreement shall be read in conjunction with and be subject to all County regulations, policies, resolutions and ordinances.

Section 18. Termination, Additional Remedies. The County shall, in its sole discretion, have the right to terminate all approvals and acceptances granted by this Agreement in the event Developer fails to comply with any of the terms and conditions of this Agreement. All approvals granted by the Agreement are conditioned upon the payment of the applicable impact fees at the appropriate time. In addition to any other remedies contained herein, in the event of a breach of a covenant or a condition of this Agreement, the County may avail itself of any remedy available at law or equity.

Section 19. Disclaimer of Third Party Beneficiaries. This Agreement is solely for the benefit of the County and the Developer and no right or cause of action shall accrue to or for the benefit of any third party.

Section 20. Assignment. The County shall have the right to assign or transfer this Agreement in whole or in part to any properly authorized commission, authority, or other public agency empowered by law to serve the unincorporated area of Orange County. The Developer shall not assign, sell, bargain, convey or transfer its interest in this Agreement without the prior written consent of the County.

Section 21. Recordation of the Agreement. The parties hereto agree that an executed original of this Agreement shall be recorded, at Developer's expense, in the Public Records of Orange County, Florida. The obligations imposed in this Agreement shall be deemed a restrictive covenant which shall run with Developer's property and shall be binding upon Developer's successors and assigns. The County or any successor agency or entity will, from time to time and upon the request of the Developer, execute and deliver estoppel letters affirming the status of this Agreement.

Section 22. Severability. If any sentence, phrase, paragraph, provision, or portion of this Agreement is found invalid or unenforceable by a court of competent jurisdiction, such portion shall be considered an independent provisions and the finding shall have no effect on the validity or the balance of this Agreement.

Section 23. Entire Agreement and Modification. This instrument constitutes the entire agreement between the parties and supersedes all previous discussions, understandings and agreements relating to the matters set forth herein. Any changes to

this Agreement shall be made in writing, approved and executed by the authorized representatives of the respective parties.

Section 24. No Partnership or Agency. Nothing in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relations of master/servant, principal/agent, employer/employee or joint venture partnership between the parties.

Section 25. Land Use Approvals. This Agreement shall not be construed as granting, assuring, or in any way indicating any future grant of any land use, zoning, subdivision density, development approvals, permissions or rights with respect to Developer's property.

Section 26. Effective Date; Term. This Agreement shall become effective upon the date of full execution by the authorized representatives of both the Developer and the County, and shall terminate fifteen (15) years from the date of issuance of the first certificate of occupancy for the Project.

SIGNATURES APPEAR ON FOLLOWING PAGES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

ORANGE COUNTY, FLORIDA

By: Orange County Board of County Commissioners



BY: *Jerry L. Demings*
for Jerry L. Demings
Orange County Mayor

Date: 12 February 2019

ATTEST: Phil Diamond, County Comptroller
As Clerk of the Board of County Commissioners

BY: *Craig A. Stopysa*
for Deputy Clerk

DEVELOPER:

EMERALD VILLAS PHASE TWO, LLC,
a Florida limited liability company

By: EMERALD VILLAS PHASE TWO
MANAGER, LLC, a Florida limited liability
company, its manager

By: TD
Tony Del Pozzo, Vice President

ACKNOWLEDGMENT

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

THE FOREGOING INSTRUMENT was acknowledged before me on this 11th day of Jan., 2019, by Tony Del Pozzo, as Vice President of EMERALD VILLAS PHASE TWO MANAGER, LLC, a Florida limited liability company, the manager of EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company. He is personally known to me or produced a Florida driver's license as identification.

My Commission Expires:

Sep 12, 2020

Stacy Pineda
Signature of Notary Public, State of Florida

Stacy Pineda
Printed Name of Notary Public



EXHIBIT A

LEGAL DESCRIPTION

From the South 1/4 corner of Section 7, Township 22 South, Range 29 East, Orange County, Florida, run North 00°01'24" West, along the 1/4 section line for 516.15 feet; thence run North 89°50'13" West, parallel with the South line of the Southwest 1/4 of said Section 7, for 40.00 feet to a point on the West right-of-way line of Pine Hills Road; thence run North 00°01'24" West, along said right-of-way line for 469.46 feet to a point of curve; thence run Northeasterly along the arc of a curve concave to the East and having for its elements a radius of 995.93 feet, a central angle of 04°03'34", a chord of 70.55 feet and a chord bearing of North 02°00'27" East, for an arc distance of 70.56 feet; thence run North 00°01'24" West, for 92.81 feet to a point of curve, thence run Northeasterly along the arc of a curve concave to the Southeast and having for its elements a radius of 622.96 feet, a central angle of 11°45'07", a chord of 127.55 feet and a chord bearing of North 17°21'00" East, for an arc distance of 127.78 feet; thence run North 13°58'36" East, for 104.50 feet; thence run North 76°01'24" West, for 10.00 feet to a point of curve; thence run Northeasterly along the arc of a curve concave to the Northwest and having for its elements a radius of 767.51 feet, a central angle of 02°40'38", a chord of 35.86 feet and a chord bearing of North 12°38'17" East, for an arc distance of 35.86 feet to the Southeast corner of Tract "A" of the VILLAS AT PINE HILLS, according to the plat thereof, as recorded in Plat Book 13, page 114, of the public records of Orange County, Florida; thence departing the West right-of-way line of Pine Hills Road, run South 89°02'08" West, along the South line of said VILLAS AT PINE HILLS for 611.70 feet and for the POINT OF BEGINNING; thence run South 01°07'48" East, for 466.28 feet; thence run South 88°59'59" West, for 611.87 feet; thence run North 00°01'24" West, parallel with the East line of the Southwest 1/4 of said Section 7 for 466.72 feet, thence run North 89°02'08" East, along the South line of said VILLAS AT PINE HILLS for 602.86 feet to the POINT OF BEGINNING.

EXHIBIT B

Prepared by, and after recording return to:
Patricia K. Green
Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, FL 33130

NOTE TO RECORDER: This Mortgage is given in relation to the financing of housing under Part V of Chapter 420 of the Florida Statutes and is exempt from taxation pursuant to Section 420.513 Florida Statutes.

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (the "Mortgage"), is executed and delivered the ___ day of _____, 2019 by **EMERALD VILLAS PHASE TWO, LLC**, a Florida limited liability company, whose address is 315 South Biscayne Boulevard, Miami, FL 33131 (the "Mortgagor"), to **ORANGE COUNTY**, a political subdivision of the State of Florida, with offices at _____ (the "Mortgagee").

WITNESSETH THAT:

FOR GOOD AND VALUABLE CONSIDERATION and also in consideration of the aggregate sum named in the promissory note from the Mortgagor in favor of the Mortgagee, in the original principal amount of **Seventy Five Thousand and 00/100 Dollars (\$75,000.00)** (the "Note"), the Mortgagor does grant, bargain sell, alien, remise, release, convey and confirm unto the Mortgagee that certain tract of land which the Mortgagor is now seized and possessed and in actual possession, situate in Orange County, State of Florida, legally described as follows:

SEE EXHIBIT "A" ATTACHED HERETO

TOGETHER WITH all structures and improvements now and hereafter located thereon, the rents, issues and profits thereof, all furniture, furnishings, fixtures and equipment now located thereon, and all additions thereto and replacements thereof, which real property, improvements and personally shall hereinafter collectively be referred to as the "Mortgaged Property".

TO HAVE AND TO HOLD the same, together with all tenements and hereditaments and appurtenances, unto the Mortgagee.

The Mortgagor does covenant with the Mortgagee that Mortgagor is indefeasibly seized of the Mortgaged Property; that the Mortgagor has full power and lawful right to convey the Mortgaged Property as aforesaid; that the Mortgagor will make such further assurances to perfect its fee interest in the Mortgaged Property in the Mortgagee as may reasonably be required; and that the Mortgagor does hereby fully warrant title to the Mortgaged Property, and will defend the

same against the lawful claims of all persons claiming by, through, or under Mortgagor, but against none other.

PROVIDED ALWAYS, that if the Mortgagor shall pay unto the Mortgagee or otherwise perform and fulfill its obligations with respect to the indebtedness and obligations evidenced by the Note, and shall perform, comply with and abide by each and every one of the stipulations, agreements, conditions and covenants of the Note and this Mortgage, then this Mortgage and the estate thereby created shall cease and be null and void.

AND THE MORTGAGOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. PERFORMANCE OF NOTE, MORTGAGE AND HOUSING COVENANTS.

The Mortgagor shall pay or otherwise fully perform its obligations with respect to the payment of the principal, interest and other sums of money payable by virtue of the Note and this Mortgage, or either, promptly when the same become due and payable, and shall perform, comply with and abide by each and every of the agreements, conditions and covenants set forth in the Note and this Mortgage together with the agreements, conditions and covenants set forth in Section 6 of that certain Multifamily Affordable Housing Developer's Agreement for Impact Fee Subsidy (the "Development Agreement") by and between Mortgagee and Mortgagor of even date herewith, to be recorded in the Public Records of Orange County, Florida (the "Affordability Covenants"). The Affordability Covenants shall be in effect for a period of fifteen (15) years, commencing on the date of issuance of the first certificate of occupancy for the Mortgaged Property and shall automatically terminate on the date which is fifteen (15) years afterwards.

2. TAXES AND OTHER CHARGES. The Mortgagor shall pay before any interest, charge or penalty is due thereon, all taxes, assessments, levies, liabilities, obligations, encumbrances, water and sewer rents and all other charges or claims of every nature and kind which may be imposed or filed at any time against this Mortgage, the Mortgaged Property or any part thereof or against the interest of the Mortgagee therein, or which by any present or future law may have priority over the indebtedness secured hereby; provided, however, that if the Mortgagor in good faith and by appropriate legal action shall contest the validity of any such items or the amount thereof, and shall have established on its books or by deposit of cash with the Mortgagee or the holder of any senior lien on the Mortgaged Property a reserve for the payment thereof in such amount as the Mortgagee may require, then the Mortgagor shall not be required to pay the item: (a) while the reserve is maintained; and (b) so long as the contest operates to prevent collection, is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to the Mortgagor. The Mortgagor shall furnish the Mortgagee with annual receipted tax bills evidencing payment within ninety (90) days from their due date.

3. PROTECTIVE ADVANCES. Mortgagee may, at its option, and without waiving its right to accelerate the indebtedness hereby secured and to foreclose the same, pay after delinquency any or all of those certain obligations required by the terms hereof to be paid by the Mortgagor for the protection of the Mortgage security or for the collection of the indebtedness hereby secured. All sums so advanced or paid by Mortgagee shall bear interest from the date thereof at the delinquent rate specified in the Note as fully and to the same extent as though a part of the original indebtedness evidenced by the Note and secured by this Mortgage, excepting

however, that said sums shall be repaid to the Mortgagee within fifteen (15) days after demand by the Mortgagee to the Mortgagor for said payment.

4. **ACCELERATION OF MATURITY.** That (a) in the event of any breach of this Mortgage or default on the part of the Mortgagor which is not cured within thirty (30) days following written notice from the Mortgagee, or if such default not cannot practicably be cured within thirty (30) days, then within such additional time as may be required to effect a cure (such additional time not to exceed one hundred and twenty (120) days), so long as (i) the cure is commenced within thirty (30) days and is diligently prosecuted and (ii) the lack of a cure during such continuing cure period has no material adverse effect on the Mortgaged Property, or (b) in the event any of said sums of money herein referred to be not promptly and fully paid within five (5) days next after the same become due and payable, without demand or notice; or (c) in the event each and every stipulation, agreement, condition and covenant of the Note and this Mortgage are not duly, promptly and fully performed, discharged, executed, effected, completed, complied with and abided by, following the giving of notice and the expiration of applicable cure periods; or then in any such event, the said aggregate sum mentioned in said Note then remaining unpaid, and all monies secured hereby shall become due and payable at the option of the Mortgagee, as fully and completely as if all of the sums of money were originally stipulated to be paid on such day, anything in the Note and/or in this Mortgage to the contrary notwithstanding; and thereupon or thereafter, at the option of the Mortgagee, without notice or demand, suit at law or in equity, therefore, or thereafter begun, may be prosecuted as if all money secured hereby had matured prior to its institution.

5. **APPOINTMENT OF RECEIVER.** At any time while a suit is pending to foreclose or to reform this Mortgage or to enforce any claims arising hereunder, the Mortgagee may apply to a court of appropriate jurisdiction for the appointment of a receiver, and such court shall forthwith appoint a Receiver of the Mortgaged Property, including all and singular the income, profits, rents, issues and revenues from whatever source derived. The Receiver shall have all the broad and effective functions and powers in anywise entrusted by a court to a Receiver, and such appointment shall be made by such court as an admitted equity and as a matter of absolute right to the Mortgagee without reference to the adequacy or inadequacy of the value of the Mortgaged Property, or to the solvency or insolvency of the Mortgagor or the Defendants. All income, profits, rents, issues and revenues collected by the Receiver shall be applied by such Receiver according to the lien of this Mortgage, and the practice of such court.

6. **LEASES AFFECTING MORTGAGED PROPERTY.** The Mortgagor shall comply with and observe its obligations as landlord under all leases affecting all or any portion of the Mortgaged Property (the "Residential Leases"). Upon request, the Mortgagor shall furnish promptly to the Mortgagee executed copies of all such Residential Leases now existing or hereafter created.

7. **MORTGAGE CONSTITUTES SECURITY AGREEMENT.** This Mortgage also constitutes a security agreement as defined under the Uniform Commercial Code. The Mortgagor hereby grants to the Mortgagee a security interest in and to all furniture, furnishings, equipment, machinery, and personal property of every nature whatsoever now owned or hereafter

acquired by the Mortgagor located upon the Mortgaged Property together with all proceeds therefrom. The Mortgagor shall execute any and all documents as the Mortgagee may request, including, without limitation, financing statements pursuant to the Uniform Commercial Code as adopted by the State of Florida, to preserve and maintain the priority of the lien created hereby on property which may be deemed personal property or fixtures. The Mortgagor hereby authorizes and empowers the Mortgagee to execute and file on behalf of the Mortgagor all financing statements and refilings and continuations thereof as the Mortgagee deems necessary or advisable to create, preserve or protect said lien. The Mortgagor and Mortgagee expressly agree that the filing of a financing statement shall never be construed as in anywise derogating from or impairing the express declaration and intention of the parties hereto that all such personality located on or utilized in connection with the real property encumbered by this Mortgage shall at all times and for all purposes, in all proceedings both legal and equitable, be deemed a part of the real property encumbered by this Mortgage.

8. MORTGAGE SECURES INDEBTEDNESS. It is expressly agreed and understood that this Mortgage secures the indebtedness and the obligation of the Mortgagor to the Mortgagee with respect to the Note, as the same is evidenced by the Note, and all renewals, extensions and modifications thereof. This Mortgage shall not be deemed released, discharged or satisfied until the entire indebtedness evidenced by the Note is paid in full.

9. FUTURE ADVANCES. Pursuant to the laws of the State of Florida, this Mortgage shall secure not only the existing indebtedness evidenced by the Note, but also such future advances as may be made by the Mortgagee to the Mortgagor in accordance with the Note or this Mortgage, whether or not such advances are obligatory or are to be made at the option of the Mortgagee, or otherwise, and as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid balance so secured at one time shall not exceed two times the face amount of the Note, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property with interest on such disbursements at the rate designated in the Note to apply following a default thereunder.

10. NO WAIVER. It is expressly agreed and understood that a waiver by the Mortgagee of any right or rights conferred to it hereunder with regard to any one transaction or occurrence shall not be deemed a waiver of such right or rights to any subsequent transaction or occurrence. It is further agreed that any forbearance or delay by the Mortgagee in the enforcement of any right or remedy hereunder shall not constitute or be deemed a waiver of such right or remedy.

11. GOVERNING LAW AND VENUE. This Mortgage shall be construed and enforced pursuant to the laws of the State of Florida, excluding all principles of choice of laws, conflict of laws and comity. Any action pursuant to a dispute under this Mortgage must be brought in Orange County and no other venue. All meetings to resolve said dispute, including voluntary arbitration, mediation, or other alternative dispute resolution mechanism, will take place in this venue.

12. **PARTIES BOUND; NO ORAL MODIFICATIONS.** Each and every of the terms, covenants and conditions contained herein shall be binding upon the parties hereto and their successors, heirs, assigns and devisee. This Mortgage is not subject to modification other than by a written document or instrument executed by the party or parties to be charged with such modification.

13. **WAIVER OF TRIAL BY JURY.** MORTGAGOR (AND MORTGAGEE, BY ITS ACCEPTANCE HEREOF) HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS MORTGAGE, OF THE OR THE FINANCING CONTEMPLATED HEREBY, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR THE ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE MORTGAGEE EXTENDING THE LOAN SECURED BY THIS MORTGAGE.

14. **AGREEMENT TO SUBORDINATE.** Mortgagee agree that: (i) this Mortgage and the Note that it secures is and shall be subordinated in right of payment to the prior payment in full of the indebtedness evidenced by (a) FLORIDA HOUSING FINANCE CORPORATION AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Fiscal Agent, their successors and/or assigns, as their interests may appear, as first lender, (b) FLORIDA HOUSING FINANCE CORPORATION, as second lender and third lender and (c) NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC., its successors and/or assigns, as fourth lender (collectively, the "Senior Lenders"), under their respective mortgages to be recorded in the Public Records of Orange County, Florida ("Senior Mortgages") and (ii) this Mortgage and the Note it secures are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Mortgages and any other loan documents in favor of Senior Lenders ("Senior Loan Documents") and to all advances heretofore made or which may hereafter be made pursuant to the Senior Mortgages and the loan documents executed in connection therewith (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Mortgages, curing defaults by the Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Mortgages, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Mortgaged Property).

15. **EXTENDED USE AGREEMENT.** The parties acknowledge that Mortgagor intends to enter into an extended use agreement with Florida Housing Finance Corporation (the "Agency"), which constitutes the extended low-income housing commitment described in Section 42(h)(6)(B) of the Internal Revenue Code, as amended (the "Code"). As of the date hereof Code Section 42(h)(6)(E)(ii) does not permit the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or any increase in gross rent with respect to such unit not otherwise permitted under Code Section 42 for a period of 3 years after the date the building was acquired by foreclosure or by instrument in lieu of foreclosure. In the event the extended use agreement required by the Agency is recorded against the Property, Mortgagee agrees to comply with the provisions set forth in Code Section 42(h)(6)(E)(ii).

SIGNATURE APPEARS ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Mortgagor has hereunto set its hand and seal the day and year first above written.

MORTGAGOR:

EMERALD VILLAS PHASE TWO, LLC,
a Florida limited liability company

By: EMERALD VILLAS PHASE TWO
MANAGER, LLC, a Florida limited liability
company, its manager

By: _____
Tony Del Pozzo, Vice President

ACKNOWLEDGMENT

STATE OF FLORIDA)

COUNTY OF MIAMI-DADE)

THE FOREGOING INSTRUMENT was acknowledged before me on this _____ day of _____, 2019, by Tony Del Pozzo, as Vice President of EMERALD VILLAS PHASE TWO MANAGER, LLC, a Florida limited liability company, the manager of EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company. He is personally known to me or produced a Florida driver's license as identification.

My Commission Expires:

Signature of Notary Public, State of Florida

Printed Name of Notary Public

Exhibit A
Legal Description Of The Property

PARCEL 1 (FEE PARCEL):

From the South 1/4 corner of Section 7, Township 22 South, Range 29 East, Orange County, Florida, run North 00°01'24" West, along the 1/4 section line for 516.15 feet; thence run North 89°50'13" West, parallel with the South line of the Southwest 1/4 of said Section 7, for 40.00 feet to a point on the West right-of-way line of Pine Hills Road; thence run North 00°01'24" West, along said right-of-way line for 469.46 feet to a point of curve; thence run Northeasterly along the arc of a curve concave to the East and having for its elements a radius of 995.93 feet, a central angle of 04°03'34", a chord of 70.55 feet and a chord bearing of North 02°00'27" East, for an arc distance of 70.56 feet; thence run North 00°01'24" West, for 92.81 feet to a point of curve, thence run Northeasterly along the arc of a curve concave to the Southeast and having for its elements a radius of 622.96 feet, a central angle of 11°45'07", a chord of 127.55 feet and a chord bearing of North 17°21'00" East, for an arc distance of 127.78 feet; thence run North 13°58'36" East, for 104.50 feet; thence run North 76°01'24" West, for 10.00 feet to a point of curve; thence run Northeasterly along the arc of a curve concave to the Northwest and having for its elements a radius of 767.51 feet, a central angle of 02°40'38", a chord of 35.86 feet and a chord bearing of North 12°38'17" East, for an arc distance of 35.86 feet to the Southeast corner of Tract "A" of the VILLAS AT PINE HILLS, according to the plat thereof, as recorded in Plat Book 13, page 114, of the public records of Orange County, Florida; thence departing the West right-of-way line of Pine Hills Road, run South 89°02'08" West, along the South line of said VILLAS AT PINE HILLS for 611.70 feet and for the POINT OF BEGINNING; thence run South 01°07'48" East, for 466.28 feet; thence run South 88°59'59" West, for 611.87 feet; thence run North 00°01'24" West, parallel with the East line of the Southwest 1/4 of said Section 7 for 466.72 feet, thence run North 89°02'08" East, along the South line of said VILLAS AT PINE HILLS for 602.86 feet to the POINT OF BEGINNING.

PARCEL 2 (EASEMENT PARCEL):

Easements for access, amenities and parking over and across the following described lands:

From the South 1/4 corner of Section 7, Township 22 South, Range 29 East, Orange County, Florida, run North 00°01'24" West, along the 1/4 section line for 516.15 feet; thence run North 89°50'13" West, parallel with the South line of the Southwest 1/4 of said Section 7, for 40.00 feet to the POINT OF BEGINNING on the West right-of-way line of Pine Hills Road; thence run North 00°01'24" West, along said right-of-way line for 469.46 feet to a point of curve; thence run Northeasterly along the arc of a curve concave to the East and having for its elements a radius of 995.93 feet, a central angle of 04°03'34", a chord of 70.55 feet and a chord bearing of North 02°00'27" East, for an arc distance of 70.56 feet; thence run North 00°01'24" West, for 92.81 feet to a point of curve, thence run Northeasterly along the arc of a curve concave to the Southeast and

having for its elements a radius of 622.96 feet, a central angle of $11^{\circ}45'07''$, a chord of 127.55 feet and a chord bearing of North $17^{\circ}21'00''$ East, for an arc distance of 127.78 feet; thence run North $13^{\circ}58'36''$ East, for 104.50 feet; thence run North $76^{\circ}01'24''$ West, for 10.00 feet to a point of curve; thence run Northeasterly along the arc of a curve concave to the Northwest and having for its elements a radius of 767.51 feet, a central angle of $02^{\circ}40'38''$, a chord of 35.86 feet and a chord bearing of North $12^{\circ}38'17''$ East, for an arc distance of 35.86 feet to the Southeast corner of Tract "A" of the VILLAS AT PINE HILLS, according to the plat thereof, as recorded in Plat Book 13, page 114, of the public records of Orange County, Florida; thence departing the West right-of-way line of Pine Hills Road, run South $89^{\circ}02'08''$ West, along the South line of said VILLAS AT PINE HILLS for 611.70 feet; thence run South $01^{\circ}07'48''$ East, for 466.28 feet; thence run South $88^{\circ}59'59''$ West, for 611.87 feet; thence run South $00^{\circ}01'24''$ East, parallel with the East line of the Southwest 1/4 of said Section 7 for 919.05 feet to the South line of said Section 7, thence run South $02^{\circ}17'17''$ East, for 134.33 feet to the North line of the South 1190.00 feet of the Northeast 1/4 of the Northwest 1/4 of Section 18, Township 22 South, Range 29 East; thence run North $89^{\circ}40'49''$ East, along said line for 638.08 feet to the Southwest corner of SPRING HILL SUBDIVISION, as recorded in Plat Book 1, page 44, of the public records of Orange County, Florida; thence run North $00^{\circ}01'24''$ West, for 374.98 feet to the Northwest corner of said SPRING HILL SUBDIVISION; thence run South $89^{\circ}50'13''$ East, along the North line of the said SPRING HILL SUBDIVISION for 507.45 feet to West right-of-way line of Pine Hills Road; thence run Northwesterly along the arc of a curve concave to the East and having for its elements a radius of 18,168.33 feet, a central angle of $00^{\circ}24'23''$, a chord of 128.88 feet and a chord bearing of North $00^{\circ}13'36''$ West, for an arc distance of 128.88 feet; thence run North $00^{\circ}01'24''$ West, for 141.12 feet to the POINT OF BEGINNING.

PROMISSORY NOTE

Miami, Florida

\$75,000.00

_____, 2019

FOR VALUE RECEIVED the undersigned, **EMERALD VILLAS PHASE TWO, LLC**, a Florida limited liability company (the "Maker") with offices at 315 South Biscayne Boulevard, Miami, FL 33131, promises to pay to the order of **ORANGE COUNTY**, a political subdivision of the State of Florida (the "Lender"), at _____ or such other location or address as the Lender may direct from time to time, the principal sum of **Seventy Five Thousand and 00/100 Dollars (\$75,000.00)**.

This Promissory Note is secured by that certain Mortgage and Security Agreement (the "Mortgage") of even date herewith executed in favor of the Maker, relating to real property located in Orange County, Florida and more particularly described in the Mortgage (the "Property").

This note shall bear interest at a rate equal to zero percent (0%) per annum. The outstanding principal balance shall become due and payable as follows: upon the earlier of (i) the expiration of the Affordability Period as defined in the Mortgage, or (ii) the termination of the Development Agreement (as defined in the Mortgage) pursuant to the terms thereof, provided, however, that in the event that: (1) the Maker shall meet all of its obligations hereunder and under the Mortgage and (2) throughout the Affordability Period, the Affordability Covenants (as defined in the Mortgage) shall be in full force and effect without material breach thereunder, then, in such event, the Lender may, in its sole and absolute discretion, cancel this Promissory Note without any requirement of the payment of the amount evidenced hereby.

At the option of the Lender, all sums advanced hereunder and all other sums due hereunder shall become immediately due and payable, without notice or demand, upon the occurrence of any one or more of the following Events of Default: (a) the Maker's failure to promptly pay in full the payment of principal or default interest due under this Promissory Note within ten (10) days following the date on which such payment is due, or (b) any uncured breach, following the giving of notice and the expiration of any applicable cure period, by the Maker of any of the terms, covenants or conditions set forth in the Mortgage. Upon the occurrence of any of the foregoing events (each, an "Event of Default"), and in addition to any other remedies provided in the Mortgage, the amount disbursed hereunder, together with interest accrued thereon at the rate provided herein, and all unpaid fees, charges and other obligations of the Maker due hereunder or under the Mortgage, shall, at Lender's option, be immediately due and payable.

No delay or omission on the part of the Lender in the exercise of any right hereunder shall operate as a waiver of such right or of any other right under this Promissory Note. A waiver by the Lender of any right or remedy conferred to it hereunder on any one occasion shall not be construed as a bar to, or waiver of, any such right and/or remedy as to any future occasion.

The Maker agrees that in the event each and every of the terms and conditions of this Promissory Note or any instrument which secures or collateralizes the payment of the sums hereunder is not duly performed, complied with, or abided by, subject to applicable notice and cure periods set forth in the Mortgage, the whole of said indebtedness then outstanding shall thereupon, at the option of the Lender, become immediately due and payable. If this Promissory

Note becomes in default and is placed in the hands of an attorney for collection, the Maker agrees to pay all and singular the costs, charges, and expenses incurred by the Lender in the enforcement of its rights hereunder, including, but not limited to reasonable attorneys' fees and costs, including the attorneys' fees and costs for appellate proceedings.

The Maker and all persons now or hereafter becoming obligated or liable for the payment hereof, do jointly and severally waive demand, notice of non-payment, protest, notice of dishonor and presentment.

The Maker does not intend or expect to pay, nor does the Lender intend or expect to charge, collect or accept, any interest greater than the highest legal rate of interest which may be charged under any applicable law. Should the acceleration hereof or any charges made hereunder result in the computation or earning of interest in excess of such legal rate, any and all such excess shall be and the same is hereby waived by the Lender, and any such excess shall be credited by the Lender to the balance hereof.

Each Maker, endorser, or any other person, firm or corporation now or hereafter becoming liable for the payment of the loan evidenced by this Promissory Note, hereby consents to any renewals, extensions, modifications, releases of security or any indulgence shown to or any dealings between the Lender and any party now or hereafter obligated hereunder, without notice, and jointly and severally agree that they shall remain liable hereunder notwithstanding any such renewals, extensions, modifications or indulgences, until the debt evidenced hereby is fully paid.

Upon the occurrence of any Event of Default as defined herein, all sums outstanding under this Promissory Note shall thereon immediately bear interest at ten percent (10%) per annum from the date of disbursement, without notice to the Maker or any guarantor or endorser of this Promissory Note, and without any affirmative action or declaration on the part of the Lender.

This Promissory Note shall be construed and enforced according to the laws of the State of Florida, excluding all principles of choice of laws, conflict of laws or comity. Any action pursuant to a dispute under this Promissory Note must be brought in Orange County and no other venue. All meetings to resolve said dispute, including voluntary arbitration, mediation, or other alternative dispute resolution mechanism, will take place in this venue.

The terms of this Promissory Note may not be changed orally.

The prevailing party in any action to enforce this Promissory Note, shall recover from the non-prevailing party all and singular the costs, charges and expenses, including but not limited to, reasonable attorney's fees, including but not limited to all trial, appellate, and bankruptcy litigation, including litigation for the amount as well as entitlement to such, costs, charges, and expenses, because of the failure on the part of the non-prevailing party to perform, comply with, and abide by, each and every of the stipulations, agreements, conditions and covenants of this Promissory Note, whether or not suit is brought, and the fees and costs shall bear interest from the date thereof at the maximum rate permitted by law.

Notwithstanding anything to the contrary herein or in the Mortgage, this Promissory Note is a non-recourse obligation of the Maker and its members and neither Maker nor its members

have personal liability for repayment of the loan evidenced by this Promissory Note. Lender's sole recourse shall be to the collateral, which secures said loan.

THE MAKER OF THIS PROMISSORY NOTE HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS PROMISSORY NOTE OR ANY LOAN DOCUMENT(S) EXECUTED IN CONNECTION HEREWITH, OR THE FINANCING CONTEMPLATED HEREBY, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR THE ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER EXTENDING THE LOAN EVIDENCED BY THIS PROMISSORY NOTE.

SIGNATURE APPEARS ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Maker has hereunto set its hand and seal the day and year first above written.

MAKER:

EMERALD VILLAS PHASE TWO , LLC, a
Florida limited liability company

By: Emerald Villas Phase Two Manager,
LLC, a Florida limited liability company, as
its Manager

By: _____
Tony Del Pozzo, Vice President

BCC Mtg. Date: February 12, 2019

**THIS INSTRUMENT PREPARED
BY AND RETURN TO:**
Junious D. Brown III, Esq.
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308

Draft #2 02/04/19
NGN File No.: 391.1012

ABOVE SPACE RESERVED FOR
RECORDING PURPOSES ONLY

SUBORDINATION AGREEMENT

(Emerald Villas Phase Two / SAIL & ELI RFA 2016-109 (2016-367BS))

THIS SUBORDINATION AGREEMENT (this "**Agreement**") is made and entered into as of February ___, 2019, by and among (i) FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida ("**Senior Lender**"), (ii) ORANGE COUNTY, FLORIDA, a political subdivision of the State of Florida (the "**Subordinate Lender**") (which term as used in every instance shall include Subordinate Lender's successors and assigns), and (iii) EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company ("**Borrower**").

RECITALS

A. Senior Lender has made a loan to Borrower under the Florida Housing Finance Corporation Request for Applications 2016-109, in effect as of September 19, 2016 ("RFA"), and the State Apartment Incentive Loan ("SAIL") Program, Section 420.5087, Fla. Stat., and governed by the rules of Florida Housing Finance Corporation, as codified at Chapter 67-48, Fla. Admin. Code, in effect as of September 15, 2016, and Chapter 67-53, Fla. Admin. Code, in effect as of August 20, 2009 (collectively, including the RFA, the "Rule") in the original principal amount of FOUR MILLION NINE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$4,950,000.00) (the "**SAIL Loan**"). The SAIL Loan has been secured by a Mortgage and Security Agreement (the "**SAIL Security Instrument**") on a 96-unit multifamily residential rental development located on certain real property in Orange County, Florida, and to be known as Emerald Villas Phase Two (the "**Property**"). The Property is more fully described in Exhibit "A" attached hereto. The Borrower's obligation to repay the SAIL Loan is evidenced by a Promissory Note, dated February ___, 2019 (the "**SAIL Note**"), and is due in full on August ___, 2036.

B. Senior Lender has also made a loan to Borrower of Extremely Low Income Program funds under the Rule in the original principal amount of FOUR HUNDRED TWENTY-SIX THOUSAND TWO HUNDRED AND NO/100 DOLLARS (\$426,200.00) (the "**ELI Loan**") and, together with the SAIL Loan, the "**Senior Loan**"). The ELI Loan has been secured by a

Mortgage and Security Agreement (the “**ELI Security Instrument**” and, together with the SAIL Security Instrument, the “**Senior Security Instrument**”) on the Property. The Borrower's obligation to repay the ELI Loan is evidenced by a Promissory Note, dated February ___, 2019 (the “**ELI Note**” and, together with the SAIL Note, the “**Senior Note**”), and is due in full on August ___, 2036.

C. The Borrower has requested that Senior Lender permit the Subordinate Lender to make a subordinate loan to Borrower of State Housing Initiatives Partnership (“SHIP”) Program funds in the original principal amount of \$75,000 (the “**Subordinate Loan**”) and secure the Subordinate Loan by placing a subordinate mortgage lien against the Property.

D. The Senior Lender has agreed to permit the Subordinate Lender to make the Subordinate Loan and to place a subordinate mortgage lien against the Property subject to all of the conditions contained in this Agreement.

NOW, THEREFORE, in order to induce the Senior Lender to permit the Subordinate Lender to make the Subordinate Loan to the Borrower and to place subordinate mortgage liens against the Property, and in consideration thereof, the Senior Lender, the Subordinate Lender and the Borrower agree as follows:

1. **Definitions.**

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

“**Affiliate**” means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term “**control**” for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

“**Borrower**” means the Person named as such in the first paragraph of this Agreement and any other Person (other than the Senior Lender) who acquires title to the Property after the date of this Agreement.

“**Business Day**” means any day other than Saturday, Sunday or a day on which the Senior Lender is not open for business.

“**Default Notice**” means: (a) a copy of the written notice from the Senior Lender to the Borrower stating that a Senior Loan Default has occurred under the Senior Loan; or (b) a copy of the written notice from the Subordinate Lender to the Borrower stating that a Subordinate Loan

Default has occurred under the Subordinate Loan. Each Default Notice shall specify the default upon which such Default Notice is based.

"Person" means an individual, estate, trust, partnership, corporation, limited liability company, limited liability partnership, governmental department or agency or any other entity which has the legal capacity to own property.

"Senior Lender" means the Person named as such in the first paragraph on page 1 of this Agreement and any other Person who becomes the legal holder of the Senior Note after the date of this Agreement.

"Senior Loan Default" means the occurrence of an "Event of Default" as that term is defined in the Senior Loan Documents.

"Senior Loan Documents" means the Senior Note, the Senior Security Instrument and all other documents evidencing, securing or otherwise executed and delivered in connection with the Senior Loan.

"Subordinate Lender" means the Person named as such in the first paragraph on page 1 of this Agreement and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

"Subordinate Loan Agreement" means that certain Loan Agreement by and between the Borrower and the Subordinate Lender governing the loaning of the proceeds of the Subordinate Loan to the Borrower.

"Subordinate Loan Default" means a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

"Subordinate Loan Documents" means the Subordinate Note, the Subordinate Security Instrument, the Subordinate Loan Agreement, the Subordinate Rental Regulatory Agreement, and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

"Subordinate Note" means the Promissory Note made by the Borrower to the Subordinate Lender, or order, to evidence the Subordinate Loan.

"Subordinate Rental Regulatory Agreement" means that certain Multi-Family Affordable Housing Developer's Agreement for Impact Fee Subsidy by and between the Borrower and the Subordinate Lender pertaining to the operation of the Property.

"Subordinate Security Instrument" means the Mortgage and Security Agreement encumbering the Property as security for the Subordinate Loan, which the Subordinate Lender will cause to be recorded among the applicable land records.

2. Permission to Place Mortgage Lien Against Property.

The Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit the Subordinate Lender to record the Subordinate Security Instrument and other recordable Subordinate Loan Documents against the Property (which are subordinate in all respects to the lien of the Senior Security Instrument, other than as set forth herein) to secure the Borrower's obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of the Borrower to the Subordinate Lender under and in connection with the Subordinate Loan. Such permission is subject to the condition that each of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is true and correct on the date of this Agreement and on the date on which the proceeds of the Subordinate Loan are disbursed to the Borrower. If any of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 are not true and correct on both of those dates, the provisions of the Senior Loan Documents applicable to unpermitted liens on the Property shall apply.

3. Borrower and Subordinate Lender Representations and Warranties.

The Borrower and the Subordinate Lender each makes the following representations and warranties to the Senior Lender:

(a) The Borrower makes the following representations and warranties to the Senior Lender:

(1) **Subordinate Note.** The Subordinate Note contains the following provision:

"The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a (i) Promissory Note dated February ___, 2019 in the original principal amount of \$4,950,000.00 (the "SAIL Note"), and (ii) Promissory Note dated February ___, 2019 in the original principal amount of \$426,200.00 (the "ELI Note" and, together with the SAIL Note, the "Senior Note") issued by EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company ("Borrower") and payable to Florida Housing Finance Corporation, its successors and assigns (the "Senior Lender"), as their respective interests may appear, or order, to the extent and in the manner provided in that certain Subordination Agreement, dated as of February ___, 2019 (the "Subordination Agreement"), among the Senior Lender, Borrower and ORANGE COUNTY, FLORIDA, a charter county and political subdivision of the State of Florida (the "Subordinate Lender"). The Mortgage and Security Agreement securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the separate Mortgage and Security Agreement, securing each of the SAIL Note and the ELI Note, as more fully set forth in the Subordination Agreement. The rights and remedies of Subordinate Lender and each subsequent holder of this Note under the Mortgage and Security

Agreement securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender under the Subordination Agreement."

(2) **Relationship of Borrower to Subordinate Lender and Senior Lender.**

The Subordinate Lender is not an Affiliate of the Borrower and Borrower is not in possession of any facts which would lead it to believe that the Senior Lender is an Affiliate of the Borrower.

(3) **Subordinate Loan Term.** The term of the Subordinate Note does not end before the term of the Senior Note.

(4) **Subordinate Loan Documents.** The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement. Upon execution and delivery of the Subordinate Loan Documents, Borrower shall deliver to Senior Lender an executed copy of each of the Subordinate Loan Documents, certified to be true, correct and complete.

(b) The Subordinate Lender makes the following representations and warranties to the Senior Lender:

(1) **Subordinate Note.** The Subordinate Note contains the following provision:

"The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a (i) Promissory Note dated February ___, 2019 in the original principal amount of \$4,950,000.00 (the "SAIL Note"), and (ii) Promissory Note dated February ___, 2019 in the original principal amount of \$426,200.00 (the "ELI Note" and, together with the SAIL Note, the "Senior Note") issued by EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company ("Borrower") and payable to Florida Housing Finance Corporation, its successors and assigns (the "Senior Lender"), as their respective interests may appear, or order, to the extent and in the manner provided in that certain Subordination Agreement, dated as of February ___, 2019 (the "Subordination Agreement"), among the Senior Lender, Borrower and ORANGE COUNTY, FLORIDA, a charter county and political subdivision of the State of Florida (the "Subordinate Lender"). The Mortgage and Security Agreement securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the separate Mortgage and Security Agreement, securing each of the SAIL Note and the ELI Note, as more fully set forth in the Subordination Agreement. The rights and remedies of Subordinate Lender and each subsequent holder of this Note under the Mortgage and Security Agreement securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be

deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender under the Subordination Agreement."

(2) **Subordinate Loan Term.** The term of the Subordinate Note does not end before the term of the Senior Note.

(3) **Subordinate Loan Documents.** The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement.

4. Terms of Subordination.

(a) **Agreement to Subordinate.** The Senior Lender and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement to the prior payment in full of the indebtedness evidenced by the Senior Loan Documents, and (ii) the Subordinate Security Instrument and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Security Instrument and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Security Instrument, curing defaults by the Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Security Instrument, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property).

(b) **Subordination of Subrogation Rights.** The Subordinate Lender agrees that if, by reason of the advance payment by Subordinate Lender of real estate taxes, casualty insurance premiums or other monetary obligations of the Borrower to protect the Property, the Subordinate Lender, by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, acquires by right of subrogation or otherwise a lien on the Property which would (but for this subsection) be senior to the lien of the Senior Security Instrument, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Security Instrument, only to the extent of the amount advanced, provided that Subordinate Lender gives Senior Lender prior written notice of its intent to advance sums for real property taxes and/or casualty insurance.

(c) **Payments Before Senior Loan Default.** Until the Subordinate Lender receives a Default Notice of a Senior Loan Default from the Senior Lender, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

(d) **Payments After Senior Loan Default.** The Borrower agrees that, after it receives notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other

sums secured by the Subordinate Security Instrument) without the Senior Lender's prior written consent excluding, however, such sums which were due and owing and received by the Subordinate Lender prior to receipt of said notice or the time it otherwise acquires knowledge of the Senior Loan Default. The Subordinate Lender agrees that, after it receives a Default Notice from the Senior Lender with written instructions directing the Subordinate Lender not to accept payments from the Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Security Instrument) without the Senior Lender's prior written consent. If the Subordinate Lender receives written notice from the Senior Lender that the Senior Loan Default which gave rise to the Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by the Senior Lender, the restrictions on payment to the Subordinate Lender in this Section 4 shall terminate, and the Senior Lender shall have no right to any subsequent payments made to the Subordinate Lender by the Borrower prior to the Subordinate Lender's receipt of a new Default Notice from the Senior Lender in accordance with the provisions of this Section 4(d).

(e) Remitting Subordinate Loan Payments to Senior Lender. If, after the Subordinate Lender receives a Default Notice from the Senior Lender in accordance with subsection (d) above, the Subordinate Lender receives any payments under the Subordinate Loan Documents, the Subordinate Lender agrees that such payment or other distribution will be received and held in trust for the Senior Lender and unless the Senior Lender otherwise notifies the Subordinate Lender in writing, will be promptly remitted, in kind to the Senior Lender, properly endorsed to the Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, the Borrower specifically authorizes the Subordinate Lender to endorse and remit any such payments to the Senior Lender, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by the Subordinate Lender, and remitted to the Senior Lender under this Section 4(e), shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to the Senior Lender waive any Subordinate Loan Default which may arise from the inability of the Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Agreement Not to Commence Bankruptcy Proceeding. The Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Borrower, without the Senior Lender's prior written consent.

5. Default Under Subordinate Loan Documents.

(a) Notice of Default and Cure Rights. The Subordinate Lender shall deliver to the Senior Lender a Default Notice within five (5) Business Days in each case where the Subordinate Lender has given a Default Notice to the Borrower. Failure of the Subordinate Lender to send a Default Notice to the Senior Lender shall not prevent the exercise of the Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this

Agreement. The Senior Lender shall have the right, but not the obligation, to cure any Subordinate Loan Default within 60 days following the date of such notice provided, however that the Subordinate Lender shall be entitled, during such 60-day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents. All amounts paid by the Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default shall be deemed to have been advanced by the Senior Lender pursuant to, and shall be secured by the lien of, the Senior Security Instrument.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender. If a Subordinate Loan Default occurs and is continuing, the Subordinate Lender agrees that, without the Senior Lender's prior written consent, it will not commence foreclosure proceedings with respect to the Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan, collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has given the Senior Lender at least 60 days' prior written notice; during such 60 day period, however, the Subordinate Lender shall be entitled to exercise and enforce all other rights and remedies available to the Subordinate Lender under the Subordinate Loan Documents and/or under applicable laws. Notwithstanding anything to the contrary in this Section 5(b), during such 60 day period, Subordinate Lender shall be entitled to exercise its rights to enforce covenants and agreements of the Borrower relating to income, rent or affordability restrictions.

(c) Cross Default. The Borrower and the Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and the Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If the Subordinate Lender notifies the Senior Lender in writing that any Subordinate Loan Default of which the Senior Lender has received a Default Notice has been cured or waived, as determined by the Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that the Senior Lender shall not be required to return or otherwise credit for the benefit of the Borrower any default rate interest or other default related charges or payments received by the Senior Lender during such Senior Loan Default.

6. Default Under Senior Loan Documents.

(a) Notice of Default and Cure Rights. The Senior Lender shall deliver to the Subordinate Lender a Default Notice within five (5) Business Days in each case where the Senior Lender has given a Default Notice to the Borrower. Failure of the Senior Lender to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default within 60 days following the date of such notice; provided, however, that the Senior Lender shall be entitled during such 60-day period to continue to pursue its remedies under the

Senior Loan Documents. Subordinate Lender may have up to 90 days from the date of the Default Notice to cure a non-monetary default if during such 90-day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or Senior Lender's secured position relative to the Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such 90-day period all available rights and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Security Instrument.

(b) Cross Default. The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the Senior Lender has accelerated the maturity of the Senior Loan, or (ii) the Senior Lender has taken affirmative action to exercise its rights under the Senior Security Instrument to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Security Instrument. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time the Borrower cures any Senior Loan Default to the satisfaction of the Senior Lender, as evidenced by written notice from the Senior Lender to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

7. Conflict.

The Borrower, the Senior Lender and the Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of the Senior Lender and the Subordinate Lender in the Property; (b) the timing of the exercise of remedies by the Senior Lender and the Subordinate Lender under the Senior Security Instrument and the Subordinate Security Instrument, respectively; and (c) solely as between the Senior Lender and the Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which the Senior Lender and the Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give the Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

8. Rights and Obligations of the Subordinate Lender Under the Subordinate Loan Documents and of the Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

(a) Protection of Security Interest. The Subordinate Lender shall not, without the prior written consent of the Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that the Subordinate Lender shall have the right, after ten (10) business days' notice to Senior Lender, to advance funds to cure Senior Loan Defaults pursuant to Section 6(a) above and advance funds pursuant to the Subordinate Security Instrument for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property and curing other defaults by the Borrower under the Subordinate Loan Documents.

(b) Condemnation or Casualty. In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Property (collectively, a "Taking"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Property (collectively, a "Casualty"), at any time or times when the Senior Security Instrument remains a lien on the Property the following provisions shall apply:

(1) The Subordinate Lender, in its sole capacity as lender, hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subordinate in all respects to the Senior Lender's rights under the Senior Loan Documents with respect thereto, and the Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by the Senior Lender; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of the Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

(2) All proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner set forth in the Senior Security Instrument; provided, however, that if the Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, the Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, the Senior Lender agrees to consult with the Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between the Senior Lender and the Subordinate Lender over the application of Casualty proceeds, the decision of the Senior Lender, in its sole discretion, shall prevail.

(c) No Modification of Subordinate Loan Documents. The Borrower and the Subordinate Lender each agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of the Senior Lender in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon the Senior Lender under the Senior Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents or assignment of the Subordinate Lender's interest in the Subordinate Loan without the Senior Lender's consent shall be void ab initio and of no effect whatsoever.

9. Modification or Refinancing of Senior Loan.

In an Event of Default or threatened, imminent default, under the Senior Loan Documents, the Subordinate Lender consents to any agreement or arrangement in which the Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money, without the prior approval of Subordinate Lender. Subordinate Lender further agrees that its agreement to subordinate hereunder shall not extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing) that has not been previously approved by Subordinate Lender; and that all, after approval, the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and that all references to the Senior Loan, the Senior Note, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the refinance loan, the refinance note, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note.

10. Default by the Subordinate Lender or Senior Lender.

If the Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

11. Notices.

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the Senior Lender or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be

deemed to have been received two (2) days after mailing in the United States), addressed to the respective parties as follows:

Senior Lender: Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Attention: Executive Director
Phone: (850) 488-4197

with a copy to: Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308
Attention: Junious D. Brown III, Esq.
Phone: (850) 224-4070
Email: jbrown@ngn-tally.com

Subordinate Lender: Orange County
Housing and Community Development Division
525 East South Street
Orlando, Florida 32801

with a copy to: Holland & Knight, LLP
100 North Tampa Street, Suite 4100
Tampa, Florida 33602
Attention: David Singleton, Esq.
Telephone: (813) 227-6429
Email: david.singleton@hklaw.com

Borrower: Emerald Villas Phase Two, LLC
c/o The Related Group
315 South Biscayne Boulevard
Miami, Florida 33131
Attention: Tony Del Pozzo
Telephone: (305) 533-0049
Email: td@relategroup.com

with a copy to: Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.
Museum Tower, Suite 2200
150 West Flagler Street
Miami, Florida 33130
Attention: Brian J. McDonough, Esq.
Telephone: (305) 789-3200
Email: bmcDonough@stearnsweaver.com

Borrower's Investor

Member: Bank of America, N.A.
100 South Charles Street, 3rd Floor
Baltimore, Maryland 21201
Attention: Thomas F. Barry, Senior Vice President
Telephone: (980) 386-2131
Email: thomas.f.barry@baml.com

with a copy to: Holland & Knight, LLP
2300 U.S. Bancorp Tower
111 Southwest Fifth Avenue
Portland, Oregon 97204
Attention: Sara C. Heskett, Esq.
Telephone: (503) 243-5860
Email: sara.heskett@hklaw.com

Any party may, by notice given pursuant to this Section, change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses for its notices, but notice of a change of address shall only be effective upon receipt.

12. General.

(a) Assignment/Successors. This Agreement shall be binding upon the Borrower, the Senior Lender and the Subordinate Lender and shall inure to the benefit of the respective legal successors and assigns of the Senior Lender and the Subordinate Lender.

(b) No Partnership or Joint Venture. The Senior Lender's permission for the placement of the Subordinate Loan Documents does not constitute the Senior Lender as a joint venturer or partner of the Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent. Wherever the Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever the Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances. The Subordinate Lender, the Senior Lender and the Borrower each agree, at the Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Security Instrument is subordinate to the lien, covenants and conditions of the Senior Security Instrument, or to further evidence the intent of this Agreement.

(e) **Amendment.** This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Florida. Any dispute arising under, in connection with or related to this Agreement or related to any matter which is the subject of this Agreement shall be subject to the exclusive jurisdiction of the state and/or federal courts located in Miami-Dade County, Florida or Leon County, Florida.

(g) **Severable Provisions.** If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) **Term.** The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Senior Loan Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which the Subordinate Lender is obligated to remit to the Senior Lender pursuant to Section 4 hereof; (iii) the acquisition by the Senior Lender of title to the Property pursuant to a foreclosure or an assignment in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Security Instrument; or (iv) the acquisition by the Subordinate Lender of title to the Property pursuant to a foreclosure or an assignment in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Security Instrument, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

COUNTERPART SIGNATURE PAGE TO
SUBORDINATION AGREEMENT

(Emerald Villas Phase Two / SAIL & ELI RFA 2016-109 (2016-367BS))

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SENIOR LENDER:

FLORIDA HOUSING FINANCE
CORPORATION

WITNESSES:

Lisa C. Walker
Print: LISA C. WALKER

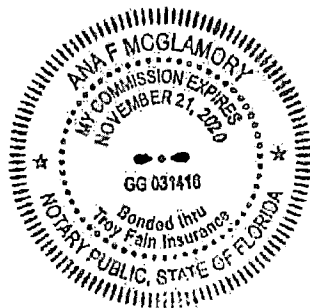
Ana F. McGlamory
Print: ANA F. MCGLAMORY

By: *[Signature]*
Hugh R. Brown
General Counsel

[SEAL]

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 6th day of February, 2019, by HUGH R. BROWN, as General Counsel of the FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of Florida Housing. Said person is personally known to me or has produced a valid driver's license as identification.



Ana F. McGlamory
Notary Public; State of Florida
Print Name: ANA F. MCGLAMORY
My Commission Expires: 11-21-2020
My Commission No.: GG 031416

COUNTERPART SIGNATURE PAGE TO
SUBORDINATION AGREEMENT

(Emerald Villas Phase Two / SAIL & ELI RFA 2016-109 (2016-367BS))

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SUBORDINATE LENDER:

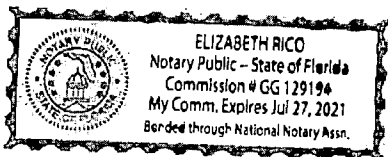
ORANGE COUNTY, FLORIDA

By: Orange County Board of Commissioners

By: *Mitchell L. Glasser*
Mitchell L. Glasser
Manager, Housing and Community
Development Division

STATE OF FLORIDA
COUNTY OF Orange

The foregoing instrument was acknowledged before me this 14 day of February, 2019 by Mitchell L. Glasser as Manager of Housing and Community Development Division, on behalf of Orange County, a political subdivision of the State of Florida. Such persons are personally known to me or have produced _____ as identification.



Elizabeth Rico
Notary Public; State of Florida
Print Name: Elizabeth Rico
My Commission Expires: 7-27-21
My Commission No.: GG 129194

**COUNTERPART SIGNATURE PAGE TO
SUBORDINATION AGREEMENT**

(Emerald Villas Phase Two / SAIL & ELI RFA 2016-109 (2016-367BS))

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

BORROWER:

EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company

By: EMERALD VILLAS PHASE TWO MANAGER, LLC, a Florida limited liability company, its manager

By: *TD*
Tony Del Pozzo
Vice President

Address: c/o The Related Group
315 South Biscayne Boulevard
Miami, Florida 33131

WITNESSES:

Stacy Pineda
Print: Stacy Pineda
Christy Lee
Print: Christy Lee

STATE OF FLORIDA
COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me this 14th day of February, 2019, by TONY DEL POZZO, as Vice President of EMERALD VILALS PHASE TWO MANAGER, LLC, a Florida limited liability company, the manager of EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company, on behalf of the limited liability companies. Said person is personally known to me or has produced a valid driver's license as identification.



Stacy Pineda
Notary Public, State of Florida
Print Name: Stacy Pineda
My Commission Expires: _____
My Commission No.: _____

**CONSENT AND JOINDER TO
SUBORDINATION AGREEMENT**

(Emerald Villas Phase Two / SAIL & ELI RFA 2016-109 (2016-367BS))

IN WITNESS WHEREOF, through its duly authorized officer or agent, Neighborhood Lending Partners, Inc. hereby consents and joins into this Agreement solely as to the subordination of the Subordinate Loan Documents to the Senior Loan Documents as set forth in the Agreement on the above date.

WITNESSES:

NEIGHBORHOOD LENDING PARTNERS, INC.,
a Florida not for profit corporation

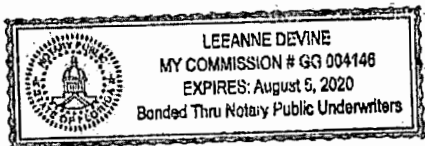
Print: Linda Stevens

[Signature]
Print: CINZIA V. KEEVER

By: [Signature]
Name: CARLOS RIVAS
Title: EVP

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 27 day of February, 2019, by Carlos Rivas, as Ex. Vice Pres. of NEIGHBORHOOD LENDING PARTNERS, INC., a Florida not for profit corporation, on behalf of the corporation. Said person is personally known to me or has produced a valid driver's license as identification.



[Signature]
Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

EXHIBIT "A"

LEGAL DESCRIPTION

(Emerald Villas Phase Two)

BCC Mtg. Date: February 12, 2019

INTERCREDITOR FUNDING AND STANDSTILL AGREEMENT

This Intercreditor Funding and Standstill Agreement ("Agreement") is made February ____, 2019, among (i) BANK OF AMERICA, N.A., a national banking association (the "First Mortgagee"), (ii) FLORIDA COMMUNITY LOAN FUND, INC., a Florida not for profit corporation (the "Permanent Lender"); (iii) and FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida (the "Issuer" and "Florida Housing"); (iv) NEIGHBORHOOD LENDING PARTNERS OF FLORIDA, INC., a Florida not for profit corporation ("NLP"); (v) ORANGE COUNTY, FLORIDA, a political subdivision of the State of Florida ("Orange County"); and (vi) EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company (the "Borrower").

RECITALS:

A. In order to finance Borrower's acquisition and construction of a ninety-six unit affordable rental development located at 3204 El Primo Way, Orlando, Orange County, Florida to be known as Emerald Villas Phase Two Apartments (the "Project") Florida Housing Finance Corporation (the "Issuer") has issued its Multifamily Mortgage Revenue Bonds, 2018 Series ____ (Emerald Villas Phase Two), in the principal amount of \$9,200,000 (the "Bonds") pursuant to a Trust Indenture dated as of February 1, 2019 (the "Bonds Indenture") between the Issuer and U.S. Bank National Association, a national banking association, as trustee ("Trustee").

B. On or about the date of this Agreement, the Bonds will be sold to one or more third party investors. The sale proceeds of the Bonds (the "Bond Proceeds") will be deposited with and held by the Trustee in the "Project Fund" (as defined in the Bonds Indenture and referred to herein as the "Project Fund"). Subject to the terms and conditions of the Bonds Indenture, the Bond Proceeds will be used to finance the development, construction, rehabilitation, renovation and equipping of the Project.

C. The Bonds are tax-exempt obligations of the Issuer and will result in an automatic allocation of federal low income housing tax credits for the Project. Pursuant to that certain Amended and Restated Operating Agreement dated as of February __, 2019 of the Borrower, Bank of America, N.A., a national banking association (together with its successors and/or assigns, the "Investor Member") and Banc of America CDC Special Holding Company, Inc. (together with its successor and/or assigns, the "Special Member"), the Investor Member has been admitted as a limited member of the Borrower and has agreed to make capital contributions in exchange for an allocation of the Tax Credits.

D. In furtherance of the financing the Project, Permanent Lender has issued a commitment to Borrower dated November 8, 2018, and revised _____, 2019 (the "Permanent Loan Commitment") pursuant to which Permanent Lender has agreed to make a construction and permanent loan to Borrower in the aggregate principal amount up to Two Million Twenty Thousand and No/100 Dollars (\$2,020,000.00) (the "Permanent Loan").

E. The Permanent Lender will convert the First Mortgagee's construction loan to a permanent loan and fully fund the Permanent Loan after completion of construction and stabilization of the Project and satisfaction of certain other conditions set forth in a loan agreement dated _____, 2019 (the "Permanent Loan Agreement") and because not all of the Capital Contributions will be available, as needed, to fund Project costs during construction, the Borrower has requested that the First Mortgagee make a taxable construction loan (the "Construction Loan") to the Borrower on the terms and conditions set forth in a construction loan agreement by and between Borrower and the First Mortgagee (the "Construction Loan Agreement").

F. As contemplated by the Bonds Indenture and, subject to terms and conditions of the Construction Loan Agreement, the First Mortgagee will advance proceeds of the Construction Loan to the Trustee, for the Borrower's account, for deposit in the "Collateral Fund" (as defined in the Bonds Indenture and referred to herein as the "Collateral Fund"). Upon the Trustee's receipt of Loan proceeds and subject to the terms and conditions of the Bonds Indenture and the Intercreditor Agreement, the Trustee will promptly release a like amount of funds on deposit in the Project Fund to the Borrower to fund Project costs approved by the Lender.

G. Following completion of the Project and upon satisfaction of the conditions of the Permanent Loan Agreement, the Permanent Lender will fully fund the Permanent Loan, subject to the terms and conditions of the Permanent Loan Agreement, and all other agreements, documents and instruments which evidence, secure, guaranty or otherwise govern the Permanent Loan (collectively, as amended, restated, supplemented or otherwise modified, the "Permanent Loan Documents"). The remaining proceeds of the Permanent Loan will be fully advanced, in a single disbursement, and will be used, together with Capital Contributions, to repay the Construction Loan in full.

H. In addition to the Collateral Fund, Issuer will secure the Bonds with a second mortgage executed by Borrower (the "Second Mortgage") and subordinate to the First Mortgagee's Mortgage as described in the Construction Loan Agreement.

I. The Permanent Loan will be secured by a third mortgage executed by Borrower (the "Third Mortgage") and the Permanent Lender will become the senior mortgagee ("Senior Mortgage" and "Permanent Mortgage") and in first mortgage lien position upon the conversion of the Permanent Loan and after the Construction Loan has been fully paid to the First Mortgagee.

J. Borrower has executed and delivered to Florida Housing a fourth mortgage note (the "Fourth Mortgage Note") in the original principal amount of \$4,950,000, evidencing a State Apartment Incentive Loan ("SAIL") Program loan (the "Fourth Loan") secured by a fourth mortgage dated February __, 2019, to be recorded in the Public Records of Orange County, Florida (the "Fourth Mortgage").

K. Borrower has executed and delivered to Florida Housing a fifth mortgage note (the "Fifth Note") in the original principal amount of \$426,200, evidencing an Extremely Low Income ("ELI") Program loan (the "Fifth Loan") secured by a fifth mortgage dated February __, 2019, to be recorded in the Public Records of Orange County, Florida (the "Fifth Mortgage").

L. Borrower executed and delivered to NLP a sixth mortgage note (the “Sixth Note”) in the original principal amount of \$3,200,000, evidencing a loan (the “Sixth Loan”) secured by a sixth mortgage dated February ___, 2019, to be recorded in the Public Records of Orange County, Florida (the “Sixth Mortgage”).

M Borrower executed and delivered to Orange County a seventh mortgage note (the “Seventh Note”) in the original principal amount of \$75,000, evidencing a State Housing Initiatives Partnership (“SHIP”) Program loan (the “Seventh Loan” secured by a seventh mortgage dated February ___, 2019, to be recorded in the Public Records of Orange County, Florida (the “Seventh Mortgage”).

N. Hereinafter the aforesaid Fourth Note, Fifth Note, Sixth Note and Seventh Note are all collectively referred to herein as the “Subordinate Notes”, and the aforesaid mortgages securing the Bonds, the Permanent Loan, and the Subordinate Notes, and all other loan documents executed in connection with the Subordinate Loans are collectively referred to as the “Subordinate Mortgages” and the Issuer, the Permanent Lender and the lenders of the Subordinate Loans are the “Subordinate Lenders.” The Subordinate Mortgages encumber the real property described in **Exhibit A** attached hereto and made a part hereof, the improvements thereon, and certain personal property relating thereto (collectively, the “Property”).

O. To induce the First Mortgagee to make the Construction Loan, the Issuer, the Permanent Lender and the Subordinate Lenders are willing to subordinate the Subordinate Mortgages to the First Mortgage.

P. Before, during, and after the construction of the Project, Borrower will receive equity contributions from its investor member (collectively, the “Equity”).

Q. Because the First Mortgagee, the Issuer, the Permanent Lender, and the Subordinate Lenders will each have security interests in the Collateral (defined below) and interests in the Property and its income, they wish to set forth their priorities and other agreements relating to the Property and Collateral and also coordinate some of their activities relating to their respective loans, including the Bond Proceeds.

NOW, THEREFORE, in consideration of \$10.00, the mutual covenants in this Agreement, and other good and valuable consideration, the parties agree as follows:

1. Definitions. In addition to terms defined elsewhere in this Agreement, the following capitalized terms shall have the following meanings:

“Budget” means the construction and development budget attached as **Exhibit C**;

“Collateral” means the personal property described in **Exhibit B**;

“Draw Request” means a request for a disbursement of loan proceeds from the First Mortgagee, the Permanent Lender or one or more of the Subordinate Lenders by Borrower and means the form of Draw Request stated in Schedule 2 of the First Mortgagee’s Construction Loan Agreement and described in the attached **Exhibit E**;

“Foreclosure” or “Foreclose” includes the exercise of a power of sale under a mortgage or a deed in lieu of foreclosure.

“Lender” means each of First Mortgagee, Issuer, Permanent Lender, and the Subordinate Lenders, and collectively, the “Lenders.”

“Loan” and “Loans” and “Loan Documents” means and refers to any of the loans by any of the Lenders described in this Agreement.

“Subordinate Lenders” means the lenders described in Recital N;

“Property” means the real property described in Recital N and the attached **Exhibit A**;

When used in this Agreement, “including” means “including (but not limited to)” unless otherwise provided; and “its Loan Documents” or “respective Loan Documents” or similar phrases means the loan documents of a Lender or Lenders that are referenced in the sentence in which the phrase appears.

2. Priority.

(a) All of the Lenders hereby agree that the priority of their respective Loan Documents and the security title, liens, and security interests created or granted under the Loan Documents and the rights, powers, and privileges granted to the First Mortgagee and to the Subordinate Lenders under their respective Loan Documents shall be as follows:

First priority—First Mortgage Loan Documents (Bank of America, N.A. and Permanent Lender/Senior Mortgagee, upon conversion of the Permanent Loan);

Second priority—Florida Housing Finance Corporation as Issuer (the Second Mortgage)

Third priority – First Community Loan Fund, Inc., as construction lender and Permanent Lender pending conversion of the Permanent Loan (the Third Mortgage)

Fourth priority – Florida Housing’s Fourth Mortgage (SAIL);

Fifth priority—Florida Housing’s Fifth Mortgage (ELI);

Sixth priority – NLP’S Sixth Mortgage (NSP); and

Seventh priority - Orange County’s Seventh Mortgage (SHIP);

From and after the date of this Agreement, all of the debt, rights, title, lien, and interests of the Subordinate Lenders created or evidenced by their respective Loan Documents shall be subject and subordinate to all of the debt, rights, title, lien, and interests created or evidenced by the First Mortgagee’s Loan Documents. This priority shall prevail notwithstanding any of the following: (1) the time of the making of any Loan; (2) the time or order of recording or filing of any of the

Loan Documents; (3) the time of the funding of the Construction Loan or any Subordinate Loans; or (4) any contrary language in any of the Loan Documents; provided, however, the subordinations and relative priorities contained in this Agreement with respect to the Property and the Collateral are conditioned upon the prior interest or interests being properly perfected or recorded and non-voidable by a bankruptcy trustee.

(b) If any Subordinate Lender acquires by subrogation or otherwise a lien or interest in the Property or the Collateral, any such lien or interest is also subject and subordinate to First Mortgagee's debt, rights, title, lien, and interests created or evidenced in the Construction Loan Documents as provided above. Notwithstanding the foregoing or any other provision of this Agreement, however, until any Subordinate Lender receives written notice that Borrower is in monetary default under the First Mortgagee's Construction Loan Documents, Subordinate Lenders may accept and retain all payments from Borrower under their respective Loan Documents.

(c) Notwithstanding any other provision of this Agreement, if a Lender Forecloses Borrower's interest in the Property, the Foreclosure shall be subject to the provisions of Section 42(h)(6)(E)(ii) of the Internal Revenue Code (the "Code") or any similar successor provision of the Code.

3. Loan Administration and Funding. The Project construction work will be performed pursuant to the Budget that Borrower has submitted to Lenders and that Lenders have approved. As set forth in the Budget, the total amount to develop the Project, inclusive of the developer fee, is \$[17,953,939.00]. The Lenders and Borrower agree the costs set forth in the Budget shall be funded as follows and in accordance with the Development CF Schedule attached hereto as **Exhibit D**. After an initial installment of Equity in the amount of \$[1,034, 245.00], First Mortgagee, Permanent Lender, Florida Housing, and NLP will fund their respective Loans, applied to hard costs for construction of the Project, in accordance with their respective Loan Documents and the Development CF Schedule attached as **Exhibit D**, subject to approved Draw Requests and less any amount retained as retainage. Retainage shall be held by First Mortgagee as described in Section 2.3 of the First Mortgagee's Construction Loan Agreement. Other Lenders will fund their loans upon completion of construction or upon the conversion of the Permanent Loan.

4. Draw Procedures. The Loan Documents contain provisions relating to how and when the proceeds of their respective Loans are to be disbursed to or for the benefit of Borrower. Except as specifically and expressly modified by this Agreement, the requirements and conditions for disbursing funds under those Loan Documents are not superseded by this Agreement. Lenders and Borrower agree, however, that the following unified draw procedures shall apply:

(a) Draw Requests. Borrower shall submit copies of all Draw Requests to all Lenders at the same time. Draw Requests shall be accompanied by all supporting invoices and documentation required by the Loan Documents. To the extent necessary or reasonable, the Lenders shall cooperate in reviewing the Draw Requests submitted to them, and Borrower shall promptly provide them with any additional information or documentation they may request.

(b) Inspections. If a Lender checks the title to the Property in connection with any Draw Request, that Lender shall provide the other Lenders with the results of any such title check. If

requested by any Lender or required under any Lender's Loan Documents, Borrower shall also require the Project architect to review the Draw Request and approve and sign it.

(c) Approval or Disapproval. Lenders shall review the Draw Requests in a timely manner and shall use reasonable efforts to approve or disapprove of a Draw Request within ten (10) business days after the receipt of the Draw Request and all required supporting invoices, documentation, affidavits, certificates, and inspection reports. If a Lender approves or disapproves of the Draw Request, it shall notify the other Lenders and Borrower in writing, and any notice of disapproval shall specify in reasonable detail the amounts and items being disapproved and the reasons for the disapproval. Lenders and Borrower shall diligently and in good faith attempt to resolve any dispute relating to a Draw Request, but Borrower has the burden of correcting any deficiency in the construction of the Project or in the Draw Request.

(d) Disbursements. Upon approval of a Draw Request (other than the final Draw Request) by applicable Lenders disbursing Loan funds for construction of the Project under Section 3 of this Agreement, each such Lender shall disburse proceeds under their respective Loans, as required in their respective Loan Documents. Borrower shall fund any amounts not funded by the Lenders. Disbursements shall be wired to a construction account of Borrower (the "Account") at --, being account number -- (the wiring instructions for the Account are: --). No Lender shall be required to disburse any amount pursuant to a Draw Request unless applicable Lenders have approved the Draw Request and have agreed to disburse. No Lender shall be required to disburse any amount if there is a default under its Loan Documents, nor shall Permanent Lender be required to fund any construction advances after the initial closing.

(e) Change Orders. Borrower must obtain the prior written approval of all Lenders for all change orders. Any proposed change order shall be submitted to all Lenders along with any supporting information or documentation, including any consents or documents required under the Loan Documents. Upon request of any Lender, Borrower shall promptly provide any additional information or documentation a Lender may request. If a Lender approves or disapproves the change order, it shall notify Borrower and the other Lenders in writing of that approval or disapproval and, if it is a disapproval, the reasons for it. In the event of a disapproval, the disapproving Lender(s) and Borrower shall diligently and in good faith attempt to resolve any differences relating to the change order request, but no Lender shall be liable to Borrower or any other person for its failure to approve a change order.

(f) Final Disbursement. Upon full or substantial completion of the construction of the Project (as required by each Lender and its Loan Documents for the final disbursement) and satisfaction of any requirements or conditions in a Lender's Loan Documents for a final disbursement, Lenders shall disburse the remaining proceeds of their respective Loans, other than the Permanent Lender which will fund upon conversion.

5. Additional Advances. Without the prior consent of the holders of the other Lenders' Notes, a Lender shall not make advances under its Loan Documents that would cause the outstanding principal balance to exceed the principal balance set forth in the Recitals, unless the advance is needed to protect the Lender's interest in the Property (such as payment for real estate taxes, property insurance premiums that are in arrears, repairs, completion of the construction, or payments under Sections 11 or 12 hereof). The foregoing does not, however, prohibit a Lender

from waiving any of its rights and privileges under its Loan Documents or permitting any departure by Borrower from the performance of its duties and obligations, and any such waiver or departure shall not require the consent of any other Lender. No Lender shall make any other loans to Borrower that are secured by the Property or Collateral without the prior written consent of the other Lenders.

6. Amendments. Subject to the provisions of Section 5 hereof, without the prior consent of the holders of the other Lenders' notes (which consent shall not be unreasonably withheld), a Lender shall not amend, modify, renew, or extend the provisions of its Loan Documents with respect to loan amounts or interest rates. Other modifications of the Subordinate Loans are permitted to the extent that they do not prejudice the interests or position of the other Lenders. If, however, there is a default under the First Mortgagee's Note, which default has not been cured by Borrower within any applicable cure period or by the Subordinate Lenders pursuant to Section 12 of this Agreement, First Mortgagee may amend, modify, renew, or extend the provisions of the First Mortgagee's Construction Loan Documents without any notice to or consent from the Subordinate Lenders.

7. Subordinate Lenders. Subordinate Lenders warrant that the debts evidenced by the Subordinate Lenders' respective Loan Documents are the only debts secured by the Subordinate Lenders' respective mortgages and other Loan Documents, and that there is currently no default under any of the Loan Documents and no event has occurred, which with the giving of notice or the passage of time, would be such a default.

8. First Mortgagee's and Senior Mortgagee's Representations. First Mortgagee and Senior Mortgagee warrant that their respective Loan Documents constitute the only debts of Borrower secured by the respective mortgages and Loan Documents of the First Mortgagee and the Senior Mortgagee; and there is currently no default under the First Mortgage Loan or the Permanent Loan and no event has occurred, which with the giving of notice or the passage of time, would be such a default.

9. Covenants of the Parties.

(a) The Borrower agrees and covenants that: (i) all of the Recitals are true and correct; (ii) Borrower will promptly commence the construction of the Project and all contemplated improvements and proceed to the prompt completion thereof in accordance with the plans and specifications, the Budget as approved and described in Schedule 3 of the First Mortgagee's Construction Loan Agreement and the Project Schedule as approved and described in Schedule 4 of the First Mortgagee's Construction Loan Agreement; (iii) Borrower will comply in all respects with the terms and conditions contained in all of the Loan Documents; (iv) Borrower will not seek refinancing of the First Mortgage Loan without the consent of the Subordinate Lenders; and (v) Borrower will fully cooperate with the Lenders to effect repayment in full of the First Mortgage Loan and any advance of First Mortgage Loan funds as set forth in this Agreement.

(b) Each of the Subordinate Lenders agree and covenant that: (i) the Recitals describing their respective Loans and Loan Documents are true and correct; (ii) all Subordinate Lenders' Loan funds are committed to Borrower for the Project as set forth in the Loan Documents and are available to the Subordinate Lenders and Borrower for the Project and for the term of the

Construction Loan, other than the Permanent Lender; (iii) First Mortgagee and Permanent Lender shall have no obligation to remedy or cure any Borrower defaults of the Subordinate Lenders' Loan Documents as any condition to disbursements of any advance of Subordinate Lenders' Loan funds; and (v) the Subordinate Lenders other than the Permanent Lender shall continue making disbursements of the Subordinate Loan funds pursuant to the terms of the Loan Documents through the term of the Construction Loan according to the funding schedule set forth above in Section 3 regardless of the existence of any cost overruns, delays or defaults of any of the Loan Documents.

(c) The First Mortgagee agrees and covenants that: (i) all of the Recitals with respect to the Construction Loan are true and correct; (ii) First Mortgagee shall make advances pursuant to proper Draw Requests from Borrower so long as Borrower is not in default of its Loan Documents, and/or any other subordinate Loan Documents and so long as the parties timely and fully perform their respective obligations as set forth in this Agreement.

(d) The Senior Mortgagee agrees and covenants that: (i) all of the Recitals with respect to the Permanent Loan are true and correct; (ii) Senior Mortgagee shall make the Permanent Loan, upon satisfaction of all conditions to convert the Construction Loan to the Permanent Loan, as set forth in the Permanent Loan Documents.

11. No Default Created by Loans. Each Lender agrees that Borrower's execution and delivery of the other Lenders' Loan Documents does not create an event of default under its Loan Documents. Notwithstanding any prohibition of inferior liens in the Construction Loan Documents, but subject to the terms of this Agreement, First Mortgagee agrees that the other Lenders may record their mortgages, assignments, and any of their other Loan Documents that need to be recorded and file their UCCs, and, notwithstanding any prohibition of inferior liens in the Subordinate Loan Documents, Subordinate Lenders gives the other Subordinate Lenders the same permission.

12. Cure Provisions. If a default occurs under the Subordinate Loan Documents, the Lender suffering the default (the "Notice Lender") shall notify the other Lenders in writing within ten (10) business days of the Notice Lender's knowledge of the default, which notice shall specify the nature of the default. For a period of forty-five (45) calendar days following the other Lenders' receipt of such notice (the "Cure Period"), the Notice Lender will not exercise any of its remedies under its Loan Documents or institute any legal action against the Borrower or the Property, including accelerating the maturity of its Note or instituting Foreclosure. During the Cure Period, either of the other Lenders shall have the right (but not the obligation) to cure Borrower's default without meeting any requirements as to the assumption of the Note of the Notice Lender. If the other Lenders, individually or jointly, cure the default within the Cure Period or if Borrower cures the default, then the Loan of the Notice Lender shall be deemed reinstated, and, in the latter case, the Notice Lender shall notify the other Lenders of the cure by Borrower. If Borrower or the other Lenders fail to cure the default within the Cure Period or if the other Lenders inform the Notice Lender during the Cure Period that they do not intend to cure the default, the Notice Lender may then exercise its rights and remedies under its Loan Documents (including the right to waive the default or forbear from exercising its remedies) without further notice to or consent from the other Lenders (but subject to the rights of any Lender prior to it under this Agreement).

13. Standstill Provisions. If a default occurs under the Construction Loan Documents, First Mortgagee shall notify the other Lenders in writing within ten (10) business days of First Mortgagee's knowledge of the default, which notice shall specify the nature of the default. Upon receipt of such notice, if the default is a monetary default under the Construction Loan Documents, the other Lenders shall not accept any payments from Borrower required by their Loan Documents and shall not enforce any remedies with respect to the Property or Collateral. If, after the Subordinate Lenders receive a default notice from the First Mortgagee the Subordinate Lenders receive any payments under their respective Loan Documents, the Subordinate Lenders agree that such payment or other distribution will be received and held in trust for the First Mortgagee and unless the First Mortgagee otherwise notifies the Subordinate Lenders in writing, will be promptly remitted, in kind to the First Mortgagee, properly endorsed to the First Mortgagee, to be applied to the principal of, interest on and other amounts due under the Construction Loan Documents in accordance with the provisions of the Construction Loan Documents. By executing this Agreement, the Borrower specifically authorizes the Subordinate Lenders to endorse and remit any such payments to the First Mortgagee, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Subordinate Loans. Borrower and First Mortgagee acknowledge and agree that payments received by the Subordinate Lenders, and remitted to the First Mortgagee under this Section, shall not be applied or otherwise credited against the Subordinate Loans, nor shall the tender of such payment to the First Mortgagee waive any Subordinate Loan default which may arise from the inability of the Subordinate Lenders to retain such payment or apply such payment to the Subordinate Loans.

For a period of forty-five (45) calendar days after the other Lenders' receipt of such notice from First Mortgagee (the "Period"), the other Lenders shall have the right (but not the obligation) to cure the default under the Construction Loan; provided, however, if the default is a non-monetary default that the other Lenders are incapable of curing (such as a bankruptcy, the insolvency of Borrower, or an assignment for the benefit of creditors by Borrower), during the Period, the other Lenders (individually or jointly) shall have the right to pay the Construction Loan in full and obtain the release of the Property and Collateral from the First Mortgagee and the Construction Loan Documents. During the Period, First Mortgagee shall not accelerate the debt evidenced by the First Mortgagee's Note, begin foreclosure proceedings, or exercise any other remedies it may have under the Construction Loan Documents. If the other Lenders (jointly or individually) cure the default within the Period or if Borrower cures the default within the Period, the Construction Loan shall be deemed reinstated. If Borrower cures the default, First Mortgagee shall promptly notify the other Lenders of the cure. If neither of the other Lenders nor Borrower cures the default within the Period or both other Lenders notify First Mortgagee during the Period that they do not intend to cure the default and Borrower's right to cure has expired, First Mortgagee shall have no further obligation to allow the other Lenders to cure the default and may exercise any rights and remedies it may have resulting from the default.

If Borrower's default is not cured, and First Mortgagee has not foreclosed Borrower's interest in the Property within ninety (90) days of the other Lenders' receipt of notice of default under the Construction Loan, the other Lenders may pursue whatever remedies they may then have against Borrower.

14. Casualty and Condemnation. If there is a taking or threatened taking by condemnation or the exercise of a power of eminent domain (collectively, a "Taking") or the

Property is damaged or destroyed by fire or some other hazard (collectively, a “Casualty”), the other Lenders agree that their rights to participate in any action, adjustment, settlement, award, or insurance proceeds resulting from the Taking or Casualty (under their respective Loan Documents or otherwise) are subordinate to First Mortgagee’s rights under the Construction Loan Documents. First Mortgagee shall have the sole right to determine how the proceeds or award received due to a Taking or Casualty shall be applied, but agrees to consult with the other Lenders in good faith regarding the application of such amounts; provided, however, if First Mortgagee and the other Lenders disagree as to the application of the proceeds or award, First Mortgagee’s decision shall prevail. If First Mortgagee makes insurance proceeds or a condemnation award to which it is entitled under the Construction Loan Documents available to Borrower for the restoration of the Property, the other Lenders shall also make available to Borrower for the purpose of restoration the insurance proceeds or condemnation award (if any) to which they are entitled under their respective Loan Documents. If First Mortgagee applies such proceeds or award towards payment of the Construction Loan, its rights and interests in any such amounts shall terminate upon the Construction Loan being paid in full and any excess shall be promptly delivered to Subordinate Lenders in *pro rata* shares. Subordinate Lenders shall then have the same rights and priority with respect to those remaining proceeds and award as did First Mortgagee. If Subordinate Lenders then shall make their own determinations whether to apply the remaining insurance proceeds or award to payment of the Subordinate Loans or to make them available to Borrower for the restoration of the Property.

15. Escrows and Reserves. If First Mortgagee is collecting payments from Borrower to be escrowed for the payment of real estate taxes, assessments, insurance premiums, and like charges or to set up a special purpose reserve fund, the other Lenders shall not enforce any similar provisions of their Loan Documents, provided the escrow or reserve being administered by First Mortgagee is being funded with an equal or greater amount than the amount required under the other Lenders’ Loan Documents and is otherwise sufficient to accomplish the same objectives as the escrow or reserve set forth in the other Lenders’ Loan Documents; provided, however, if First Mortgagee is collecting and administering a reserve that is an operating deficit reserve or a replacement reserve, First Mortgagee acknowledges and agrees that Subordinate Lenders’ prior written consent may be required before funds may be disbursed from any such reserve. If First Mortgagee stops collecting such amounts from Borrower before the Subordinate Loans are paid in full, Subordinate Lenders shall have the immediate right to enforce the provisions of the Construction Loan Agreement or their respective Loan Documents relating to any such escrow or reserve. If the Construction Loan is paid in full before the Subordinate Loans are paid in full and if First Mortgagee is holding any escrow or reserve amounts at such time, it shall promptly transfer the balance of any such escrow or reserve to the Subordinate Lender next in priority or to its designee.

16. Notices. Any notice, demand, or other communication required or permitted under this Agreement shall be deemed given and received on the date it is personally delivered to the party to whom it is addressed or on the third day after it is deposited in the U.S. mail, certified mail, return receipt requested, postage prepaid or when hand delivered by the party or a courier or overnight delivery service. The addresses to be used for the parties are:

If to First Mortgagee:

Bank of America, N.A.
101 E. Kennedy Blvd., 6th Floor
Mail Code: FL1-400-06-13
Tampa, FL 33602
Attn: Community Development Lending, Jose Luis de la Rosa
Fax Number: (904) 312-5685
E-mail: jose.l.de_la_rosa@baml.com

with a copy to:

Bank of America, N.A.
101 E. Kennedy Blvd., 6th Floor
Mail Code: FL1-400-06-13
Tampa, FL 33602
Attn: CREB Loan Administration, Claire L. Murphy
Fax Number: (404) 965-7405
E-mail: Claire.L.Murphy@baml.com

and a copy to:

Ellinger & Carr, PLLC
2840 Plaza Place, Suite 475
Raleigh, NC 27612
Attention: Steven Carr
Fax Number: (919)785-9997
E-mail: scarr@ellingercarr.com

If to Subordinate Lenders:

Permanent Lender/Senior Mortgagee:

Florida Community Loan Fund, Inc.
501 N. Magnolia Avenue, Suite 100
Orlando, Florida 32801
Attention: Susan Holtrey

with a copy to:

Latham, Shuker, Eden & Beaudine, LLP
111 North Magnolia Ave., Suite 1400
Orlando, Florida 32801
Attention: Jan Albanese Carpenter, Esq.
Phone: (407) 481-5800

Florida Housing:

Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Attention: Executive Director
Phone: (850) 488-4197

and a copy to:

Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308
Attention: Junious Brown III, Esq.
Phone: (850) 224-4070

NLP:

Neighborhood Lending Partners of Florida, Inc.
3615 West Spruce Street
Tampa, Florida 33607
Attention:
Phone: _____

Orange County:

Orange County
Housing and Community Development Division
525 East South Street
Orlando, Florida 32801

If to Borrower:

Emerald Villas Phase Two, LLC
315 S. Biscayne Blvd.
Miami, FL 33131
Attn: Tony Del Pozzo
Fax Number: (305) 460-9911

With a copy to:

Stearns Weaver Miller Weissler Alhadeff & Sitterson
150 West Flagler Street, Suite 2200
Miami, FL 33130
Attn: Brian J. McDonough, Esq.
Fax Number: (305) 789-3395

17. No Modification to or Approval of Loan Documents. This Agreement is not intended to modify and shall not be construed to modify any terms or provisions of any Lender's Loan Documents, but, if there is a conflict or inconsistency between the terms of this Agreement and the terms of a Lender's Loan Documents, the terms of this Agreement shall control as among Lenders. By executing this Agreement, a Lender is not approving the terms of any other Lender's Loan Documents, and, apart from Section 6, nothing in this Agreement limits the right of Borrower to negotiate with any Lender regarding the terms of the Loan from that Lender. Each Lender has extended credit to Borrower based on the Lender's own assessment of the creditworthiness of Borrower, and no Lender has relied upon any other Lender or any information it may have provided in making its decision. Apart from specific information or notices that must be given to other Lenders under this Agreement, no Lender is required to notify any other Lender of its dealings with Borrower, Borrower's financial status, or any other information relating to Borrower or its loan to Borrower. By executing this Agreement, no Lender is assuming any responsibility to oversee Borrower's application of any advances made to Borrower.

18. Further Assurances. So long as this Agreement is in effect, each Lender or any subsequent holder of each Lender's Note (as the case may be) shall execute, acknowledge, and deliver upon reasonable demand of another Lender any further documents or instruments for the purpose of confirming and effecting the subordination and the agreements set forth in this Agreement.

19. Estoppel Certificates. Within fifteen (15) calendar days after receipt of written demand from another Lender, the Lender receiving the demand shall execute, acknowledge, and deliver to the other Lender a certificate stating the total amount of debt owed to the party and secured by the Property and whether to Lender's knowledge a default exists under any of the Lender's Loan Documents or any condition exists, which with the giving of notice or passage of time, would result in a default. All such certificates shall be conclusive as to the matters stated in them and shall be binding upon the party giving the certificate. No Lender shall be obligated to give such a certificate more frequently than once every calendar quarter.

20. Priority Retained. This Agreement is expressly limited in application to First Mortgagee, Issuer, Permanent Lender, Subordinate Lenders and the Lenders' respective Loan Documents, and, notwithstanding the subordination and priorities among the parties set forth in this Agreement, the parties' priorities are retained as against all third parties and other instruments or liens as if this Agreement did not exist.

21. Benefit. This Agreement shall inure to the benefit of and be binding on the parties and their respective successors and assigns (including all subsequent holders of any note, security deed, assignment, or other instrument mentioned in this Agreement).

22. Term. The term of this Agreement shall begin on the date of this Agreement and continue until the first of the following occurs: (a) any of the Loans are paid in full; (b) First Mortgagee's acquisition of title to the Property by Foreclosure; or (c) Subordinate Lenders' acquisition of title to the Property by Foreclosure, provided the acquisition is not in violation of this Agreement. Upon payment in full of all amounts owed under the Construction Loan

Documents, First Mortgagee shall cease being a party to this Agreement and shall have no further rights or obligations under this Agreement, and, to the extent that certain rights have been vested in First Mortgagee (such as the rights under Section 12, 13, and 14), Senior Mortgagee shall have the right to exercise those rights as if it had been First Mortgagee from the inception of this Agreement.

23. Miscellaneous.

(a) Relationship of Parties. This Agreement is not intended to create and does not create the relationship of partners or joint venturers between the parties.

(b) Governing Law. This Agreement shall be construed, interpreted, and enforced in accordance with Florida law.

(c) Amendment. This Agreement shall not be amended except in a writing signed by all parties.

(d) Contesting Liens. No Lender shall contest the validity, perfection, or enforceability of any lien, security interest, or security title granted another Lender.

(e) Third-Party Beneficiary. The parties do not intend that any person or entity not a party to this Agreement shall be a third-party beneficiary of this Agreement.

(f) Recitals and Exhibits. The Recitals and the attached exhibits are a part of this Agreement.

(g) Borrower Acknowledgement. Borrower acknowledges and agrees that nothing in this Agreement grants Borrower a cure period or extends or alters the time within which Borrower may cure a default under a Lender's Loan Documents or give Borrower the right to notice of a default, unless that right to notice is contained in the Lender's Loan Documents.

24. Modification or Refinancing of Permanent Loan.

The Subordinate Lenders consent to any agreement or arrangement in which the Permanent Lender waives, postpones, extends, reduces or modifies any provisions of the Permanent Loan Documents, including any provision requiring the payment of money provided, however, that such consent shall not be deemed to apply to (i) any waiver or modification of the Permanent Loan Documents which has the effect of increasing the then outstanding principal amount of the Permanent Loan; or (ii) any waiver or modification which would have the effect of causing the Senior Loan to exceed the Permanent Loan amount. Each Subordinate Mortgagee further agrees that its agreement to subordinate hereunder shall apply to (x) the Senior Loan or (y) any new mortgage debt (the "Replacement Permanent Loan") held by a lender or lenders to which each Subordinate Mortgagee has consented in writing, provided that no consent shall be required if such mortgage debt is held by a Lending Institution (a "Replacement Permanent Mortgagee"), which is for the purpose of refinancing all or any part of the Permanent Loan (including reasonable and necessary costs associated with the refinancing), provided that the original principal amount of the Replacement Permanent Loan shall not exceed Two Million Twenty Thousand and 00/100 Dollars (\$2,020,000.00). Upon closing of the Replacement Permanent Loan, all terms and covenants of this

Agreement shall inure to the benefit of the Replacement Permanent Mortgagee and all references to the Permanent Loan, the Permanent Note, the Permanent Mortgage, the Permanent Loan documents and Permanent Mortgagee shall mean respectively, the Replacement Permanent Loan, the promissory note evidencing the Replacement Permanent Loan, the mortgage securing the Replacement Permanent Loan, all documents evidencing, securing or otherwise pertaining to the Replacement Permanent Loan, and the Replacement Permanent Mortgagee. The Permanent Mortgagee, the Subordinate Mortgagees, and the Borrower agree to execute, acknowledge and deliver to the Permanent Mortgagee such additional assurances of the foregoing as the Permanent Mortgagee may reasonably require. Notwithstanding the foregoing, the Replacement Permanent Mortgagee shall not succeed to the rights of the Permanent Mortgagee under this Agreement unless and until the Replacement Permanent Mortgagee executes and delivers an instrument in recordable form agreeing to all of the terms and provisions hereof.

[signatures begin on next page]

IN WITNESS WHEREOF, through their duly authorized officers or agents, Borrower, First Mortgagee, Issuer, Permanent Lender, and Subordinate Lenders have executed this Agreement under seal on the above date.

FIRST MORTGAGEE:

WITNESSES:

BANK OF AMERICA, N.A.

Print: _____

Print: _____

By: _____

Jose Luis de la Rosa
Senior Vice President

STATE OF FLORIDA

COUNTY OF Leon

The foregoing instrument was acknowledged before me this 27 day of February, 2019, by JOSE LUIS DE LA ROSA, as Senior Vice President of BANK OF AMERICA, N.A., a national banking association, on behalf of the national banking association. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____



PERMANENT LENDER:

WITNESSES:

Nanci Gardner
Print: Nanci Gardner
Susan Holtrey
Print: Susan Holtrey

FLORIDA COMMUNITY LOAN FUND, INC.

By: *[Signature]*
Ignacio Esteban
Chief Executive Officer

STATE OF FLORIDA
COUNTY OF Orange

The foregoing instrument was acknowledged before me this 18th day of February, 2019 by IGNACIO ESTEBAN, as Chief Executive Officer of FLORIDA COMMUNITY LOAN FUND, INC., a Florida not for profit corporation, on behalf of the corporation. Said person is personally known to me or has produced a valid driver's license as identification.

Susan B. Holtrey
Notary Public; State of Florida
Print Name: Susan B. Holtrey
My Commission Expires: _____
My Commission No.: _____



SUBORDINATE MORTGAGEE:

WITNESSES:

FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida

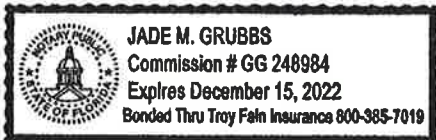
Rachael Price
Print: Rachael Price
Jade Grubbs
Print: Jade Grubbs

By: [Signature]
Angeliki G. Sellers, Comptroller

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 27th day of February, 2019 by ANGELIKI G. SELLERS, as Comptroller of the FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of Florida Housing. Said person is personally known to me or has produced a valid driver's license as identification.


[Signature]
Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____




SUBORDINATE MORTGAGEE:

WITNESSES:

NEIGHBORHOOD LENDING PARTNERS OF
FLORIDA, INC., a Florida not for profit
corporation

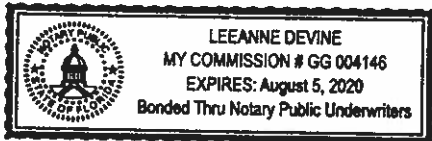

Print: CYNTHIA V. KOEBER



Print: MARY K. CLARK

By: M. Fellows
Name: M. Fellows
Title: SVP

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 22 day of February, 2019,
by Mary Fellows, as S. Vice President of NEIGHBORHOOD LENDING
PARTNERS OF FLORIDA, INC., a Florida not for profit corporation, on behalf of the
corporation. Said person is personally known to me or has produced a valid driver's license as
identification.




Notary Public; State of Florida
Print Name: Leanne Devine
My Commission Expires: _____
My Commission No.: _____

SUBORDINATE MORTGAGEE:

ORANGE COUNTY, FLORIDA

By: Orange County Board of Commissioners

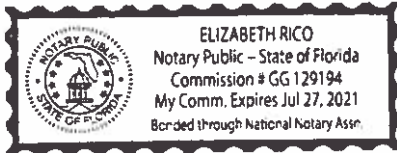
By: *Mitchell L. Glasser*

Mitchell L. Glasser
Manager, Housing and Community
Development Division

STATE OF FLORIDA
COUNTY OF Orange

The foregoing instrument was acknowledged before me this 14 day of February, 2019 by Mitchell L. Glasser as Manager of Housing and Community Development Division, on behalf of Orange County, a political subdivision of the State of Florida. Such persons are personally known to me or have produced _____ as identification.

Elizabeth Rico
Notary Public; State of Florida
Print Name: Elizabeth Rico
My Commission Expires: 7-27-21
My Commission No.: GG129194



BORROWER:

WITNESSES:

EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company

By: EMERALD VILLAS PHASE TWO MANAGER, LLC, a Florida limited liability company as its manager

Stacy Pineda
Print: Stacy Pineda

Alvaro Torres
Print: Alvaro Torres

By: *TDLP*
Name: TONY DEL POZZO
Title: vice president

STATE OF FLORIDA)
COUNTY OF Miami-Dade)

ss.:

The foregoing instrument was acknowledged before me this 22nd day of February 2019 by TONY DEL POZZO, as vice president of EMERALD VILLAS PHASE TWO MANAGER, LLC, a Florida limited liability company, the manager of EMERALD VILLAS PHASE TWO, LLC, a Florida limited liability company, on behalf of the companies. Said person is personally known to me or has produced a valid driver's license as identification.



Stacy Pineda
Notary Public; State of Florida
Print Name: Stacy Pineda
My Commission Expires: _____
My Commission No.: _____

IN WITNESS WHEREOF, through its duly authorized officer or agent, Neighborhood Lending Partners, Inc. hereby consents and joins into this Agreement solely as to the subordination of the Subordinate Tri-Party Agreement to the Loan Documents as set forth in the Agreement on the above date.

WITNESSES:

NEIGHBORHOOD LENDING PARTNERS, INC., a Florida not for profit corporation

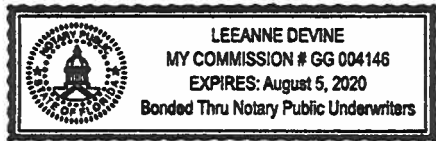
Print: Linda Stevens

Print: EMILIA V. KEEDEN

By: _____
Name: CARLOS RIVAS
Title: EVP

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 27 day of February, 2019, by Carlos Rivas, as EX VICE PRES. of NEIGHBORHOOD LENDING PARTNERS, INC., a Florida not for profit corporation, on behalf of the corporation. Said person is personally known to me or has produced a valid driver's license as identification.



LeeAnne Devine
Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

EXHIBIT A
PROPERTY DESCRIPTION

EXHIBIT B

DESCRIPTION OF COLLATERAL

The "Collateral" is the following described property, whether such property is now owned or created, entered into, or acquired in the future, including any additions, substitutions, or replacements for any such property and any products or proceeds from any such property:

- (1) All fixtures located on, attached, or affixed to the Property.
- (2) All articles of personal property, including all furniture and furnishings affixed or attached to, placed upon, or used in any way in connection with the use, enjoyment, occupancy, or operation of the Property;
- (3) All funds (including funds in any reserve relating to the Property required under the Loan Agreement), accounts, instruments, accounts receivable, documents, general intangibles (including trademarks, service marks, trade names, and symbols used in connection with the Property) and notes or chattel paper arising from any transactions related to the Property (collectively, the "General Intangibles");
- (4) All rents, royalties, issues, profits, revenue, income, and other benefits of the Property or arising from the use or enjoyment of it or from any lease, sublease, license, concession, or occupancy agreement pertaining to it or arising from any of the General Intangibles, and all leases, subleases, licenses, concessions, and occupancy agreements for the Property, including cash or securities deposited to secure performance by the tenants, lessees, sublessees, or licensees, as applicable, of their obligations, whether the cash or securities are to be held until the expiration of the terms of the leases, subleases, licenses, concessions, or occupancy agreements or applied to one or more of the installments of rent coming due before the expiration of their terms;
- (5) All building materials, supplies, and equipment located on the Property and all right, title, and interest of Borrower in and to all architectural renderings, models, plans, specifications, studies, and data relating to the improvements on the Property;
- (6) All contracts by Borrower relating to any part of the Property and all revenue, income, and other benefits from them, including service contracts, maintenance contracts, construction contracts, and management or operation contracts;
- (7) All monetary deposits from Borrower to any public or private utility for utility service for the Property and all right, title, and interest of Borrower in water taps, sewer taps, and other utility services relating to the Property;
- (8) All permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property and all warranties and guaranties relating to the improvements on the Property or to any fixtures, equipment, furniture, furnishings, personal property, and any of their components or installed on the Property;
- (9) All records and books of account relating to the rental, operation, and rehabilitation or construction of the Property;

(10) All policies of insurance Borrower is required to maintain pursuant to the Loan Documents;

(11) All proceeds (including claims and demands for proceeds) from the voluntary or involuntary conversion of any Collateral into cash or liquidated claims, including insurance proceeds relating to the Property or any Collateral and condemnation awards; and

(12) All other or greater rights and interests of every nature in the Property or in its possession or use and income from it.

EXHIBIT C

BUDGET

EXHIBIT D
DEVELOPMENT OF SCHEDULE

EXHIBIT E
DRAW REQUEST FORM