

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	July 7, 2015	[X] Consent	[] Regular
		[] Ordinance	[] Public Hearing
Department:	Department of Economic Sustainability		

I. EXECUTIVE BRIEF


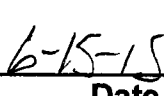
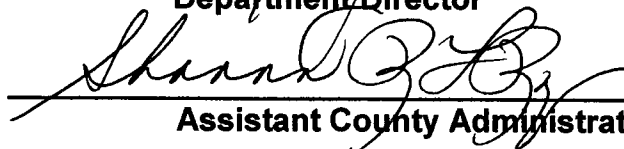
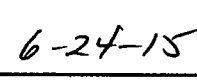
Motion and Title: Staff recommends motion to Receive and File: one (1) Amendment to Loan Agreement, one (1) Partial Release of Mortgage, one (1) First Global Modification and Amendment of Mortgage and Security Agreement, Promissory Note and Other Loan Documents, one (1) Allonge to Promissory Note, one (1) Subordination Agreement, one (1) Guaranty and one (1) Amendment to Agreement as follows:

- A) Amendment No. 001 to the Loan Agreement (R2014-1921) with Community Land Trust of Palm Beach County, Inc. (CLT) under the Home Investment Partnership Program (HOME) (District 3);
- B) Partial Release of Mortgage to CLT under the Neighborhood Stabilization Program 2 (NSP2) (District 3);
- C) First Global Modification and Amendment of Mortgage and Security Agreement, Promissory Note and Other Loan Documents with Executive Trust, Ltd. (ETL), under the State Housing Initiative Partnership Program (SHIP) (District 7);
- D) Allonge to Promissory Note by ETL under SHIP;
- E) Subordination Agreement with ETL and Walker & Dunlop, LLC under SHIP;
- F) Guaranty from the Housing Trust Group, LLC; and
- G) Amendment No. 004 to the Agreement (R2013-0384) with Palm Beach County Housing Authority (PBCHA) under NSP2 and the Neighborhood Stabilization Program 3 (NSP3) (District 6)

Summary: In accordance with County PPM CW-0-051, all delegated contracts, agreements and grants must be submitted by the initiating Department as a receive and file agenda item. The documents have been fully executed on behalf of the Board of County Commissioners (BCC) by the County Administrator, or designee, in accordance with Resolution/Agenda Item R2009-1122, R2011-0082, 31-4, 31-2 and 5C-3 as approved by the BCC on July 7, 2009, January 11, 2011, October 21, 2014, April 21, 2015 and May 19, 2015. These executed documents are now being submitted to the BCC to receive and file. **Federal NSP2, NSP3 and State SHIP funds do not require a local match and the Federal HOME Program matching requirement is met from State SHIP funds.** (DES Contract Development) (JB)

Background and Justification: A) On October 27, 2014, the County entered into a Loan Agreement (R2014-1921) with the CLT to provide \$1,440,000 in HOME funds for the Davis Landings West project to be located at 4938 Davis Road in unincorporated Palm Beach County. Amendment No. 001 extended the closing date from May 30, 2015 to November 30, 2015. (Continued on Page 3)

Attachments: Documents as listed in A through G above.

Recommended By:		
	Department Director	Date
Approved By:		
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures					
Operating Costs					
External Revenues		(\$15,360)	(\$15,360)	(\$15,360)	(\$15,360)
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT		(\$15,360)	(\$15,360)	(\$15,360)	(\$15,360)

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No _____

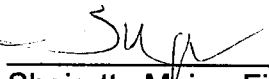
Budget Account Numbers:

1100/143/7176/4135+6112

B. Recommended Sources of Funds/Summary of Fiscal Impact:

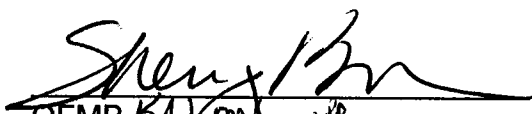
Palm Beach County will receive an annual monitoring fee in the amount of \$7,500, and an annual interest payment in the amount of \$7,860.

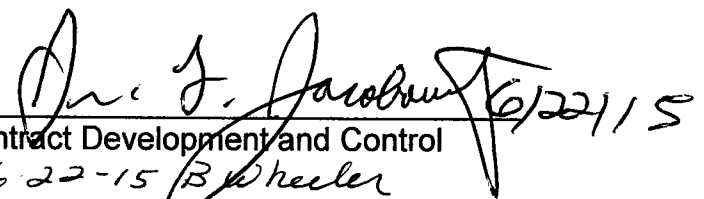
C. Departmental Fiscal Review:


Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:


OFMB Representative
6/12/15


Contract Development and Control
6-22-15 B. Wheeler

B. Legal Sufficiency:


Assistant County Attorney
6/23/15

C. Other Department Review:

Department Director

Background and Justification: (Continued from Page 1)

B) The Partial Release of Mortgage was signed in connection with the preparation of a plat for the Davis Landings West project being undertaken by the CLT. This Partial Release of Mortgage removes the lien created by the mortgage encumbrance from a small portion of the property comprising one-half of the cul-de-sac at the end of Davis Road where the Davis Landings West project will be built at 4938 Davis Road in unincorporated Palm Beach County. The land comprising one-half of the cul-de-sac will become a dedicated right-of-way to create the cul-de-sac. The land was encumbered by a Mortgage and a Notice of Future Advance in favor of the County when the CLT received NSP2 funds for the development of its rental project on the east side of Davis Road.

C, D, E and F) All documents were executed in connection with the refinancing of the Malibu Bay project. On March 1, 2005, the County entered into a cash flow dependent Loan Agreement (R2005-0463) with ETL to provide \$262,000 in SHIP funds towards the construction of a 262 unit affordable housing rental project. The project, known as Malibu Bay, was completed in 2005 and is located at 750 West Executive Center Drive, in West Palm Beach. These SHIP funds were secured by a Mortgage and Security Agreement and a Promissory Note from ETL. ETL refinanced the first mortgage on the property with a loan from Walker & Dunlop, LLC. On April 21, 2015 and May 19, 2015, the BCC approved amendment of the County's loan documents for this project and subordination of the County's interest to that of the new first mortgage lender. These documents were executed on May 28, 2015 upon closing on the loan from Walker & Dunlop, LLC.

G) On January 21, 2013, the County entered into Agreement (R2013-0384) with the PBCHA, as amended by Amendment No. 001 (R2014-0142) on January 6, 2014, by Amendment No. 002 (R2014-0143) on February 4, 2014, and by Amendment No. 003 (R2015-0189) on February 3, 2015, to provide \$1,023,945.83 of NSP3 funds and \$773,191.00 of NSP2 funds for the acquisition and rehabilitation of South Bay Villas, a 65-unit rental apartment complex located at 110 Harrelle Drive, South Bay. PBCHA is undertaking the South Bay Villas project together with the redevelopment of its adjacent Marshall Heights property. This \$26.5 Million public-private partnership between PBCHA and McCurdy Senior Housing Corporation will result in 131 renovated and newly constructed affordable rental homes for residents of the Glades Region. The acquisition of South Bay Villas is complete, and Phase 1 entailing rehabilitation of 16 units is currently under construction. Amendment No. 004 extends certain activity completion dates to correspond with the current project implementation schedule.

AMENDMENT 001 TO THE LOAN AGREEMENT
WITH
COMMUNITY LAND TRUST OF PALM BEACH COUNTY, INC.

Amendment 001 to the Loan Agreement is made and entered into on _____,
by and between **Palm Beach County** ("County") and **Community Land Trust of Palm
Beach County, Inc.** ("Borrower").

WITNESSETH:

WHEREAS, the County entered into a Loan Agreement (R2014-1921) with the Borrower on October 27, 2014, to provide \$1,440,000 of HOME Investment Partnerships Program funds for the construction of a 22 affordable homes to be known as Davis Landings West; and

WHEREAS, the parties wish to modify the closing date.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and various other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A. SECTION 3: THE LOAN AND LOAN EXPENDITURE REQUIREMENTS

Delete "May 30, 2015" and replace it with "November 30, 2015".

Except as modified by this Amendment 001, this Loan Agreement remains unmodified and in full force and effect in accordance with the terms thereof. This Amendment 001 is expressly contingent upon the approval of the County and shall become effective only when signed by all parties.

(continued on next page)

IN WITNESS WHEREOF, Agency and the County have caused this Amendment 001 to be executed on the date first above written.

BORROWER

(SEAL)

COMMUNITY LAND TRUST OF
PALM BEACH COUNTY, INC.,
a Florida non-profit corporation

By: [Signature]
Cynthia LaCourse-Blum, Executive Director

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me on May 14th, 2015,
by Cynthia LaCourse-Blum, as Executive Director, of Community Land Trust of Palm
Beach County, Inc., who is personally known to me, or who has produced
as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

Signature: [Signature]
Notary Name: TANYA WARD
Notary Public - State of Florida

PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida
FOR ITS BOARD OF COUNTY COMMISSIONERS

By: [Signature]
Shannon R. LaRocque
Assistant County Administrator

Approved as to Form and
Legal Sufficiency

By: [Signature]
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: [Signature]
Sherry Howard, Deputy Director
Department of Economic Sustainability

Prepared by; Return:

David W. Schmidt, Esq.
140 N.E. 4th Ave., Suite A
Delray Beach, FL 33483

PARTIAL RELEASE OF MORTGAGE

WHEREAS, COMMUNITY LAND TRUST OF PALM BEACH COUNTY, INC., a Florida not-for-profit corporation, hereinafter referred to as the Mortgagor, in the Mortgage and Security Agreement (hereinafter "Mortgage") bearing date the 3rd day of August, 2011, and recorded in the Office of the Clerk of the Circuit Court in and for the County of Palm Beach, State of Florida, in Official Record Book 24673, Page 1197, Public Records of Palm Beach County, Florida, and in the Notice of Future Advance bearing date the 26th day of January, 2012, and recorded in the Office of the Clerk of the Circuit Court in and for the County of Palm Beach, State of Florida, in Official Record Book 24992, Page 1765, Public Records of Palm Beach County, Florida, granted and conveyed unto **PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS**, hereafter referred to as the Lantana Associates - Villas at Cove Crossing Part 1 of 2 Mortgagee, and its assigns, the premises therein particularly described, to secure the payment of the sum of Five Million Seven Hundred Twenty-Three Thousand Six Dollars and 00/100 (\$5,723,006.00), with interest as therein mentioned:

AND WHEREAS, the said Mortgagor has requested the said Mortgagee to release the premises hereinafter described, being part of said mortgaged premises from the lien and operation of said Mortgage:

NOW THEREFORE, KNOW YE, that the said mortgagee, in consideration of the premises and of the sum of Ten Dollars (\$10.00), to it in hand paid by, or on behalf of, the said Mortgagor at the time of the execution hereof, the receipt whereof is hereby acknowledged, do remise, release, quit-claim, exonerate and discharge from the lien and operation of said Mortgage unto the said Mortgagor, its heirs and assigns, that certain portion of the premises conveyed by said Mortgage, more particularly described as follows:

See Exhibit "A" attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same, with the appurtenances, unto the said Mortgagor, its heirs and assigns forever, freed, exonerated and discharged of and from the lien of said Mortgage, and every part thereof; provided always, nevertheless, that nothing herein contained shall in anywise impair, alter or diminish the effect, lien or encumbrance of the aforesaid Mortgage on the remaining part of said mortgaged premises, not hereby released therefrom, or any of the rights and remedies of the holder thereof.

(Signature on following page)

IN WITNESS WHEREOF, the said Mortgagee has hereunto set its hand and seal this 5th day of May, 2015.

Signed, sealed and delivered
in the presence of:

PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida

FOR ITS BOARD OF COUNTY
COMMISSIONERS

Signature: Patricia A. Hinkle

Print Name: Patricia A. Hinkle

By: Shannon LaRocque
Shannon LaRocque,
Assistant County Administrator

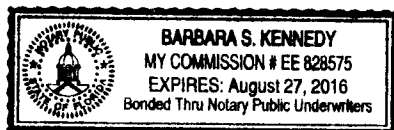
Signature: Charles D. Frazier

Print Name: CHARLES D. FRAZIER

STATE OF FLORIDA
COUNTY OF PALM BEACH

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid, to take acknowledgments, personally appeared Shannon LaRouque, Assistant County Administrator, on behalf of PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS, who is personally known to me and who did take an oath, and who executed the foregoing instrument.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of May, 2015.



Barbara S. Kennedy
Notary Public-State of Florida
My Commission Expires:

Approved as to Form and
Legal Sufficiency

By: James Brako
James Brako
Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability

By: Sherry Howard
Sherry Howard, Deputy Director
Department of Economic Sustainability

EXHIBIT "A"

DESCRIPTION: ADDITIONAL RIGHT-OF-WAY FOR DAVIS ROAD

A PARCEL OF LAND SITUATE IN TRACTS D AND E, BLOCK 120 "PALM BEACH FARMS COMPANY PLAT No.7", ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 5, PAGE 72, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 30, TOWNSHIP 44 SOUTH, RANGE 43 EAST, PALM BEACH COUNTY, FLORIDA; THENCE NORTH 01°26'31" EAST ALONG SAID LINE, A DISTANCE OF 118.09 FEET; THENCE NORTH 88°33'29" WEST, A DISTANCE OF 15.00 FEET TO A POINT ON THE WESTERLY LINE OF A 30.00 FOOT WIDE RIGHT-OF-WAY, AS SHOWN ON SAID PLAT, SAID POINT ALSO BEING **THE POINT OF BEGINNING**; THENCE NORTH 01°26'31" EAST ALONG SAID WESTERLY LINE OF A 30.00 FOOT WIDE RIGHT-OF-WAY, AS SHOWN ON SAID PLAT, A DISTANCE OF 139.49 FEET; THENCE NORTH 87°39'12" WEST, A DISTANCE OF 15.00 FEET; THENCE SOUTH 01°26'31" WEST, A DISTANCE OF 4.67 FEET TO A POINT OF CURVATURE OF A 25.00 FOOT RADIUS CURVE CONCAVE TO THE NORTHWEST; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 71°18'30", AN ARC DISTANCE OF 31.11 FEET TO A POINT OF REVERSE CURVATURE OF A 58.00 FOOT RADIUS CURVE CONCAVE TO THE EAST; THENCE SOUTHWESTERLY AND SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 174°40'02", AN ARC DISTANCE OF 176.81 FEET TO **THE POINT OF BEGINNING**.

CONTAINING 7,284 SQUARE FEET (0.1672 ACRES) MORE OR LESS.

SAID LANDS SITUATE IN PALM BEACH COUNTY, FLORIDA.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS, COVENANTS, AND RIGHTS-OF-WAY OF RECORD.

THIS INSTRUMENT PREPARED
BY AND RETURN TO:
Brooke R. Perlyn, Esq.
Stearns Weaver Miller
Weissler Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, FL 33130

ABOVE SPACE RESERVED FOR
RECORDING PURPOSES ONLY

**FIRST GLOBAL MODIFICATION AND AMENDMENT OF
MORTGAGE AND SECURITY
AGREEMENT, PROMISSORY NOTE AND OTHER LOAN DOCUMENTS**

THIS FIRST GLOBAL MODIFICATION AND AMENDMENT OF MORTGAGE AND SECURITY AGREEMENT, PROMISSORY NOTE AND OTHER LOAN DOCUMENTS, including, among others,

- (i) Mortgage and Security Agreement dated March 30, 2005, and recorded April 6, 2005, in Official Records Book 18373, Page 0865, of the Public Records of Palm Beach County, Florida (the "Mortgage").

(this "Amendment"), effective as of May 28, 2015, is entered into by and among EXECUTIVE TRUST, LTD., a Florida limited partnership ("Borrower") and PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida (the "Junior Lender").

RECITALS

A. On or about March 30, 2005, the Junior Lender issued to the Borrower a loan in the principal amount of TWO HUNDRED SIXTY-TWO THOUSAND AND NO/100 DOLLARS (\$262,000.00) (the "Loan") to finance the construction and permanent financing of a multifamily rental housing development on the real property described in Exhibit "A" attached hereto (the "Land") and the improvements thereon, known as Malibu Bay Apartments located in Palm Beach County, Florida. The Land, the improvements, the fixtures and personal property and other amenities now or hereafter located on the Land are referred to collectively hereafter as the "Development."

B. As a condition precedent to the Junior Lender making of the Loan, the Borrower entered into that certain Loan Agreement between the Junior Lender and the Borrower dated March 1, 2005, and executed that certain Promissory Note dated March 30, 2005, which is modified by that certain Allonge to Promissory Note, dated of even date herewith ("Subordinate Note" and together with the Mortgage and all other documents executed in connection therewith, collectively referred to herein as the "Loan Documents").

C. Of even date herewith, the Borrower has received a loan from WALKER & DUNLOP, LLC, a Delaware limited liability company (the "Lender" or "First Mortgagee"), in the original principal amount of Twenty Million Seven Hundred Twenty Nine Thousand Nine Hundred And No/100 Dollars (\$20,729,900) which is insured by the Department of Housing and Urban Development ("HUD") (the "Senior Loan"). The Senior Loan is evidenced by that certain Note (Multistate) dated as of May 1, 2015 (the "Senior Note") and secured by that certain Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement dated as of May 1, 2015 and recorded prior to this Amendment in the Public Records of Palm Beach County, Florida (the "Senior Mortgage"). The Borrower has also executed that certain Regulatory Agreement dated as of May 1, 2015 and recorded prior to this Amendment in the Public Records of Palm Beach County, Florida (the "Senior Regulatory Agreement"). The Senior Note, Senior Mortgage and Senior Regulatory Agreement, together with all other documents executed in connection with the Senior Loan are collectively referred to as the "Senior Loan Documents").

D. Pursuant to that certain Subordination Agreement of even date herewith, between Junior Lender, First Mortgagee and Borrower (the "Subordination Agreement"), and this Amendment, the Junior Lender agreed to subordinate the Loan Documents to the Senior Loan Documents, and the parties hereto desire to amend and modify the Loan Documents to incorporate certain HUD requirements.

E. The Junior Lender is the owner and holder of the Mortgage, the Subordinate Note, and all other Loan Documents described above.

F. The Borrower acknowledges that this Amendment confers a substantial benefit upon it and is supported by good and valuable consideration.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth in this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1 AMENDMENTS TO THE LOAN DOCUMENTS

A. All references to the Maturity Date in the Loan Documents are hereby deleted and replaced with May 1, 2050.

B. As long as HUD is the insurer or holder of the Senior Note on FHA Project No. 066-11177, subject to any restrictions set forth in the Loan Documents, any payments due from project income under the Loan Documents shall be payable only (i) from Surplus Cash (as such term is defined in the Subordination Agreement) of the Project, but in no event greater than seventy-five percent (75%) of the total amount of Surplus Cash; or (ii) from monies received from Non-Project Sources (as such term is defined in the Subordination Agreement). The restriction on payment imposed by this paragraph shall not excuse any default caused by the failure of the Borrower to pay the indebtedness evidenced by the Subordinate Note.

SECTION 2
ACKNOWLEDGEMENT OF MODIFICATION

A. All of the recitals hereinabove set forth are by reference incorporated in and specifically made a part of this Amendment as if fully set forth herein.

B. Borrower acknowledges and agrees that all of the other stipulations, terms, provisions and covenants and agreements as contained in the Loan Documents shall remain in full force and effect except as herein provided to the contrary or modified in conjunction herewith.

C. This Amendment shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

SECTION 3
MISCELLANEOUS

A. Full Force and Effect. Except as modified by this Amendment, the Loan Documents shall remain in full force and effect.

B. Governing Law. This Amendment shall be construed, and the obligations, rights and remedies of the parties hereunder shall be determined, in accordance with the laws of the State of Florida without regard to conflicts of laws or principles, except to the extent that the laws of the United States of America may prevail.

C. Definitions. Initially capitalized terms used herein without definition shall have the respective meanings set forth in the Agreement,

D. Multiple Counterparts. This Amendment may be simultaneously executed in one or more counterparts, all of which shall constitute the same instrument and each of which shall be deemed an original.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE FOR
GLOBAL MODIFICATION AND AMENDMENT OF
MORTGAGE AND SECURITY AGREEMENT, PROMISSORY NOTE AND OTHER
LOAN DOCUMENTS**

IN WITNESS WHEREOF, the Borrower and the Junior Lender have caused this Amendment to be executed in their respective names by their duly authorized representatives as of the day and year first set forth above.

BORROWER:

EXECUTIVE TRUST, LTD., a Florida limited partnership

By: Executive Trust Associates, LLC, a Florida limited liability company, its general partner

By: [Signature]
Name: RANDY RIEGER
Title: MGR

WITNESSES:

[Signature]
Print: RICHARD A. MARLOS
[Signature]
Print: MARIO ROSSIGNOL

[SEAL]

STATE OF FLORIDA)
):ss
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this 20th day of MAY, 2015, by RANDY RIEGER as Manager of Executive Trust Associates, LLC, a Florida limited liability company, the general partner of EXECUTIVE TRUST, LTD., a Florida limited partnership, on behalf of the company and the limited partnership. Said person is personally known to me or has produced a valid driver's license as identification.



[Signature]
NOTARY PUBLIC, State of Florida at Large
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

**COUNTERPART SIGNATURE PAGE FOR
GLOBAL MODIFICATION AND AMENDMENT OF
MORTGAGE AND SECURITY AGREEMENT, PROMISSORY NOTE AND OTHER
LOAN DOCUMENTS**

IN WITNESS WHEREOF, the Borrower and the Junior Lender have caused this Amendment to be executed in their respective names by their duly authorized representatives as of the day and year first set forth above.

WITNESS:

Signature: *Patricia A. Hurdle*
Name: Patricia A. Hurdle

Signature: *Amin Houry*
Name: AMIN HOURY

PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida,

FOR ITS BOARD OF COUNTY COMMISSIONERS

By: *Shannon R. LaRocque*
Name: Shannon R. LaRocque
Its: Assistant County Administrator

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 22nd day of May, 2015, by Shannon R. LaRocque, as Assistant County Administrator of Palm Beach County, Florida, a political subdivision of the State of Florida, on behalf of said County. Said person is personally known to me or has produced a valid driver's license as identification.

(SEAL ABOVE)

Sharon C. Meeks
Notary Public, State of Florida
Print Name: Sharon C. Meeks

Approved as to Form and Legal Sufficiency

By: *James Brako*
James Brako, Assistant County Attorney

Approved As To Terms And Conditions
Department of Economic Sustainability

By: *Sherry Howard*
Sherry Howard, Deputy Director
Department of Economic Sustainability



EXHIBIT A
LEGAL DESCRIPTION

All of Malibu Bay, according to plat thereof, as recorded in Plat Book 101, Page 54, of the Public Records of Palm Beach County, Florida.

Together with a Non-Exclusive Drainage Easement for the benefit of the above described property by virtue of the Grant Of Easement recorded in O.R. Book 16174, Page 1054, Public Records of Palm Beach County, Florida.

Also known as:

PARCEL 1:

Being a parcel of land lying in portions of Sections 17, 19, and 20, Township 43 South, Range 43 East, Palm Beach County, Florida, and being more particularly described as follows:

Commencing at a point in the South line of Palm Beach Lakes Boulevard, as recorded in Plat Book 28, Page 94, of the Public Records of Palm Beach County, Florida at the intersection with the Northwest corner of the Plat of EXECUTIVE CENTER DRIVE, as recorded in Plat Book 88, Page 55, of the Public Records of Palm Beach County, Florida; thence along the North line of said Plat of EXECUTIVE CENTER DRIVE, the following four (4) courses and distances: 1) South 04°03'34" East, a distance of 52.51 feet; 2) South 45°04'45" East, a distance of 71.77 feet to a point of curvature of a circular curve concave to the Southwest having a radius of 2007.85 feet and a central angle of 09°30'08"; 3) along the arc of said curve an arc length of 332.99 feet; 4) North 36°57'36" East, a distance of 2.62 feet to the Point of Beginning; thence continue North 36°57'36" East, a distance of 417.18 feet; thence North 53°02'24" West, a along a line radial to the next described curve, 30.00 feet to a point of curvature of a circular curve concave to the Southeast having a radius of 2538.57 feet and a central angle of 02°08'52"; thence along the arc of said curve an arc distance of 95.15 feet; thence South 49°23'42" East, a distance of 395.50 feet; thence South 23°46'37" East, a distance of 216.19 feet; thence South 29°18'45" East, a distance of 21.53 feet; thence South 38°50'37" East, a distance of 43.83 feet; thence South 35°50'27" East, a distance of 46.10 feet; thence South 16°20'21" East, a distance of 130.50 feet; thence South 24°46'56" West, a distance of 8.29 feet; thence South 23°46'37" East, a distance of 482.54 feet; thence South 68°28'10" West, a distance of 176.16 feet to a point of curvature of a circular curve concave to the Northwest having a radius of 460.00 feet and a central angle of 25°03'41"; thence along the arc of said curve an arc length of 201.21 feet to a point in the said Northerly line of the Plat of EXECUTIVE CENTER DRIVE; thence along said Northerly line the following four (4) courses and distances: 1) North 48°34'10" West, a distance of 4.12 feet to a point of curvature of a circular curve concave to the Northeast having a radius of 2017.61 feet and a central angle of 15°34'12"; 2) along the arc of said curve an arc distance of 548.28 feet; 3) North 32°59'58" West, a distance of 354.71 feet to a point of curvature of a

(LEGAL DESCRIPTION CONTINUES ON NEXT PAGE)

circular curve concave to the Southwest having a radius of 2010.35 feet and a central angle of 2°35'59"; 4) along the arc of said curve an arc distance of 91.21 feet to the Point of Beginning.

THE ABOVE NOW BEING DESCRIBED AS:

All of the Plat of MALIBU BAY, according to the Plat thereof, as recorded in Plat Book 101, Page 54, of the Public Records of Palm Beach County, Florida.

TOGETHER WITH THE FOLLOWING DESCRIBED PROPERTY:

PARCEL 2:

A drainage easement lying in Section 17, Township 43 South, Range 43 East, Palm Beach County, Florida being more particularly described as follows:

Commencing at the Southwest corner of said Section 17; thence South 89°51'41" East, along the South line of said Section 17, a distance of 95.10 feet; thence departing said South line North 36°57'36" East, a distance of 176.22 feet; thence North 53°02'24" West on a radial bearing, a distance of 30.00 feet to a point on the Northerly line of an 80 foot Non-Exclusive Outfall Easement and Drainage Easement recorded in Official Records Book 8135, Page 1017, Official Records book 11870, page 300 and Official Records Book 2550, Page 1406, Public Records of Palm Beach County, Florida and a point of curvature of a curve concave to the Southeast, having a radius of 2538.27 feet, a radial bearing of South 53°02'24" East, and a central angle of 02°08'52"; thence Northeasterly along said Northerly line and arc of said curve, a distance of 95.15 feet to the Point of Beginning; thence continue along said Northerly line and said curve, concave to the Southeast, having a radius of 2538.27 feet, a radial bearing of South 50°53'32" East and a central angle of 11°24'29"; thence Easterly along the arc of said curve, a distance of 505.39 feet to a point on the North line of a 60 foot Drainage Easement, as described in Official Records Book 2550, Page 1406, Public Records of Palm Beach County, Florida; thence North 62°01'43" East, along said North line, a distance of 328.99 feet to a point on the Westerly line of a 50 foot Drainage Easement as described in Official Records Book 2550, Page 1406; thence departing said North line North 26°37'24" West, along the Westerly line of said 50 foot Drainage Easement, a distance of 182.97 feet to a point on the Northerly line of a parcel of land described in Official Records Book 11242, Page 1534, Public Records of Palm Beach County, Florida; thence North 63°55'19" East, along said Northerly line, a distance of 50.00 feet to a point on the Easterly line of said 50 foot Drainage Easement; thence South 26°37'24" East, along the Easterly line, a distance of 241.33 feet to the Southeast corner of said 60 foot Drainage Easement described in Official Records Book 2550, Page 1406; thence South 62°01'43" West, along the Southerly line of said 60 foot Drainage Easement, a distance of 365.37 feet; thence South 39°29'03" East to the Southeast corner of said 80 feet Non-Exclusive Outfall Easement and Drainage Easement recorded in Official Records Book 8135, Page 1017, Official Records Book 11870, Page 300 and Official Records Book 2550, Page 1406, a distance of 18.77 feet and the point of curvature of a non-tangent curve concave to the Southeast, having a radius of 2458.27 feet, a radial bearing of South 39°29'03" East and a central angle of 11°27'24"; thence Southwesterly along the South line of said 80 foot easement and the arc of said curve, a distance of 491.55 feet; thence departing said South line, North 49°23'42" West, a distance of 80.03 feet to the Point of Beginning.

(END OF LEGAL DESCRIPTION)

ALLONGE TO PROMISSORY NOTE

(Malibu Bay Apartments/Palm Beach County SHIP Loan)

THIS ALLONGE TO PROMISSORY NOTE ("Allonge") dated as of May 28, 2015, is made by EXECUTIVE TRUST, LTD., a Florida limited partnership, whose address is 3225 Aviation Avenue, Suite 602, Coconut Grove, Florida 33133, Attn: Matthew Rieger ("Borrower"), to and for the benefit of PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida, whose address is 301 North Olive Avenue, West Palm Beach, Florida 33401 ("Junior Lender") and is to be attached to, incorporated into, and shall amend that Promissory Note in the original principal amount of \$262,000.00 dated March 30, 2005 (the "Note").

WITNESSETH:

WHEREAS, Borrower obtained a loan from the Junior Lender in the original principal amount of TWO HUNDRED SIXTY-TWO THOUSAND AND NO/100 DOLLARS (\$262,000.00) (the "Loan") in connection with that certain multifamily residential housing development known as Malibu Bay Apartments (the "Improvements") located on property in Palm Beach County, Florida (the "Land"). The Land, the Improvements, the fixtures and personal property and other amenities now or hereafter located on or used in connection with the Land are referred to collectively hereafter as (the "Development"); and

WHEREAS, the Note is secured by that certain Mortgage and Security Agreement dated as of March 30, 2005, and recorded April 6, 2005, in Official Records Book 18373, Page 0865 of the Public Records of Palm Beach County, Florida, (the "Mortgage"), which Mortgage encumbers the Development; and

WHEREAS, in connection with the refinancing of the debt, the Junior Lender approved, among other things, the (i) the refinancing of the first mortgage with a new lender, (ii) subordination to the new first mortgage of the existing Loan, and (iii) extension of the term of the existing Loan to mature co-terminus with the first mortgage; and

WHEREAS, the Borrower has entered into a first mortgage loan with Walker & Dunlop, LLC, a Delaware limited liability company ("Senior Lender"), acting as the mortgagee under the United States Department of Housing and Urban Development ("HUD"); and

WHEREAS, Borrower is executing and delivering this Allonge in order to reflect the Senior Lender's HUD requirements and to confirm the fact that the Note and Mortgage are subordinate to that certain first Note (Multistate) in the original principal amount of \$20,729,900, dated as of May 1, 2015, given by Borrower in favor of Senior Lender ("Mortgage Note"), and that certain Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement dated as of May 1, 2015, given by Borrower in favor of Senior Lender ("First Mortgage"), which encumbers the Development and will be recorded in the Public Records of Palm Beach County, Florida.

NOW, THEREFORE, the Borrower ratifies the provisions and obligations of the Note and agrees as follows:

1. Amendment to Note. This Allonge is to be physically attached to the Note and is incorporated into and forms a part of the Note.

2. References. All references in the Note and the Mortgage to the term "Note" shall mean the Note as amended and endorsed by this Allonge.

3. Extension of Maturity Date The Maturity Date of the Note is hereby amended to May 1, 2050.

4. Monitoring Fee. Borrower shall pay Junior Lender a monitoring fee on May 1st of each year, beginning in 2016, for the remaining term of the Loan, in the amount of \$7,500 ("Monitoring Fee"). The amount of the Monitoring Fee shall be increased by 2% every three (3) years. Provided however, as long as HUD is the insurer or holder of the Mortgage Note on FHA Project No. 066-11177 any payments due from project income for payment of the Monitoring Fee shall be payable only (i) from Surplus Cash (as such term is defined in that certain "Subordination Agreement" of even date herewith, between Junior Lender, Senior Lender and Borrower) of the Project, but in no event greater than seventy-five percent (75%) of the total amount of Surplus Cash; or (ii) from monies received from Non-Project Sources (as defined in the Subordination Agreement). In the event Borrower prepays the Loan prior to the Maturity Date, the Monitoring Fee shall no longer be due.

5. Ratification. Except as amended hereby, the Note is restated and republished in its entirety and remains in full force and effect and shall be binding upon Borrower, its representatives, successors and assigns.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO
ALLONGE TO PROMISSORY NOTE**

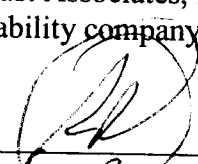
(Malibu Bay Apartments/Palm Beach County SHIP Loan)

IN WITNESS WHEREOF, Borrower has executed this Allonge as of the date and year first written above.

BORROWER:

EXECUTIVE TRUST, LTD., a Florida limited partnership

By: Executive Trust Associates, LLC, a Florida limited liability company, its general partner

By: 
Name: MR. RANDY RIEGER
Title: MANAGER


ACKNOWLEDGMENT AND ACCEPTANCE OF
ALLONGE TO MULTIFAMILY NOTE

(Malibu Bay Apartments/Palm Beach County SHIP Loan)

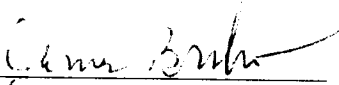
Delivery acknowledged and accepted this 28th day of May, 2015 by PALM BEACH
COUNTY, FLORIDA, a political subdivision of the State of Florida.

PALM BEACH COUNTY, FLORIDA, a political
subdivision of the State of Florida,

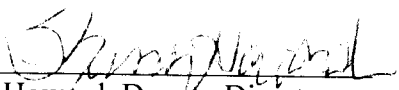
FOR ITS BOARD OF COUNTY
COMMISSIONERS

By: 
Name: Shannon R. LaRocque
Its: Assistant County Administrator

Approved As To Form And Legal
Sufficiency

By: 
James Brako, Assistant County Attorney

Approved As To Terms And Conditions
Department of Economic Sustainability

By: 
Sherry Howard, Deputy Director
Department of Economic Sustainability

Subordination Agreement

U.S. Department of Housing
and Urban Development
Office of Housing

OMB Approval No. 2502-0598
(Exp. 04/30/2014)

Recording requested by and return to:

Brooke R. Perlyn, Esq.
Stearns Weaver Miller Weissler
Alhadeff & Sitterson, P.A.
150 West Flager Street, Suite 2200
Miami, Florida 33130

Palm Beach County, Florida
Real Estate Tax Parcel I.D.:

SUBORDINATION AGREEMENT

FLORIDA

HUD Project Number: 066-11177
Project Name: **MALIBU BAY APARTMENTS**

(Palm Beach County, Florida SHIP Loan)

Public Reporting Burden for this collection of information is estimated to average 0.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Project Name: **MALIBU BAY APARTMENTS**
 HUD Project No: **066-11177**

28th THIS **SUBORDINATION AGREEMENT** ("**Agreement**") is entered into this day of May, 2015 by and among (i) **WALKER & DUNLOP, LLC**, a Delaware limited liability company ("**Senior Lender**"), (ii) **PALM BEACH COUNTY, Florida**, a political subdivisions of the State of Florida ("**Subordinate Lender**"), and (iii) **EXECUTIVE TRUST, LTD.**, a Florida limited partnership ("**Borrower**").

Recitals

WHEREAS, Borrower is the owner of that certain **262** unit residential rental development known as "**MALIBU BAY APARTMENTS**" ("**Project**"), located at **750 West Executive Center Drive, West Palm Beach, Florida**. Senior Lender has made or is making the senior mortgage loan as described on Schedule A hereto ("**Senior Indebtedness**") to Borrower in the original principal amount(s) as shown on Schedule A, evidenced by the Note described in Schedule A ("**Senior Note**"), and secured by, among other things, the Security Instrument as described in Schedule A (collectively, "**Senior Security Instrument**"), covering the property described in Exhibit A attached hereto together with all improvements thereon and personal property used relative thereof, all as more particularly described in the Senior Security Instrument ("**Mortgaged Property**").

WHEREAS, Subordinate lender made a subordinate loan to Borrower in the amount of \$262,000.00 ("**Subordinate Loan**"), pursuant to the Subordinate Loan Documents (as defined below) and secured by among other things a mortgage lien against the Mortgaged Property.

WHEREAS, Senior Lender, with the approval of the U.S. Department of Housing and Urban Development ("**HUD**"), has agreed to permit Subordinate Lender to keep the Subordinate Loan outstanding and maintain a subordinate mortgage lien against the Mortgaged Property subject to all of the conditions contained in this Agreement and in accordance with Program Obligations. "**Program Obligations**" means (1) all applicable statutes and any regulations issued by the Secretary pursuant thereto that apply to the Project, including all amendments to such statutes and regulations, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and (2) all current requirements in HUD handbooks and guides, notices, and mortgagee letters that apply to the Project, and all future updates, changes and amendments thereto, as they

become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and provided that such future updates, changes and amendments shall be applicable to the Project only to the extent that they interpret, clarify and implement terms in this Agreement rather than add or delete provisions from such document. Handbooks, guides, notices, and mortgagee letters are available on HUD's official website: (<http://www.hud.gov/offices/adm/hudclips/index.cfm>, or a successor location to that site).

NOW, THEREFORE, in order to induce Senior Lender to permit Subordinate Lender to keep outstanding the Subordinate Loan to Borrower and the subordinate mortgage lien against the Mortgaged Property, and in consideration thereof, Senior Lender, Subordinate Lender and 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:

(a) **"Affiliate"** is defined in 24 C.F.R. 200.215, or any successor regulation.

(b) **"Bankruptcy Proceeding"** means any bankruptcy, reorganization, insolvency, composition, restructuring, dissolution, liquidation, receivership, assignment for the benefit of creditors, or custodianship action or proceeding under any federal or state law with respect to Borrower, any guarantor of any of the Senior Indebtedness, any of their respective properties, or any of their respective partners, members, officers, directors, or shareholders.

(c) **"Borrower"** means all entities identified as "Borrower" in the first paragraph of this Agreement, together with any successors, heirs, and assigns (jointly and severally). Borrower shall include any entity taking title to the Mortgaged Property, whether or not such entity assumes the Senior Note, provided that the term "Borrower" shall not include Senior Lender in the event that Senior Lender may acquire title to the Mortgaged Property. Whenever the term "Borrower" is used herein, the same shall be deemed to include the obligor of the debt secured by the Senior Security Instrument.

(d) **"Business Day"** means any day other than Saturday, Sunday or any other day on which Senior Lender or HUD is not open for business.

(e) **"Covenant Event of Default"** is defined in the Senior Security Instrument.

(f) **"Entity"** means an 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.

(g) **"Monetary Event of Default"** is defined in the Senior Security Instrument.

(h) **"Non-Project Sources"** means any funds that are not derived from Project Sources.

(i) **"Project Sources"** means the Mortgaged Property (as defined in the Senior Security Instrument), any proceeds of the Senior loan, and any reserve or deposit made with Senior Lender or any other party as required by HUD in connection with the Senior loan.

(j) **"Senior Indebtedness"** means all present and future indebtedness, obligations, and liabilities of Borrower to Senior Lender under or in connection with the Senior loan or Senior Loan Documents.

(k) **"Senior Lender"** means the Entity named as such in the first paragraph on page 1 of this Agreement, its successors and assigns.

(l) **"Senior Loan Documents"** means the Senior Note, the Senior Security Instrument, and the Regulatory Agreement between Borrower and HUD, as such documents may be amended from time to time and all other documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Senior Indebtedness.

(m) **"Senior Security Instrument Default"** means a "Monetary Event of Default" or a "Covenant Event of Default" as defined in the Senior Security Instrument.

(n) **"Subordinate Indebtedness"** means all present and future indebtedness, obligations, and liabilities of Borrower to Subordinate Lender under or in connection with the Subordinate Loan or the Subordinate Loan Documents.

(o) **"Subordinate Lender"** means the Entity that is named as such in the first paragraph on page 1 of this Agreement.

(p) **"Subordinate Loan Documents"** means the Subordinate Note, the Subordinate Mortgage, and all other documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Subordinate Indebtedness, as identified in Schedule B.

(q) **"Subordinate Loan Enforcement Action "** means the acceleration of all or any part of the Subordinate Indebtedness, the advertising of or commencement of any foreclosure or trustee's sale proceedings, the exercise of any power of sale, the acceptance of a deed or assignment in lieu of foreclosure or sale, the collecting of rents, the obtaining of or seeking of the appointment of a receiver, the seeking of default interest, the taking of possession or control of any of the Mortgaged Property, the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the Subordinate Note or any other of the Subordinate Loan Documents, the exercising of any banker's lien or rights of set-off or recoupment, or the taking of any other enforcement action against Borrower, any other party liable for any of the Subordinate Indebtedness or obligated under any of the Subordinate Loan Documents, or the Mortgaged Property.

(r) **"Subordinate Mortgage Default"** means any act, failure to act, event, conditions, or occurrence which allows (but for any contrary provision of this

Agreement), or which with the giving of notice or the passage of time, or both, would allow (but for any contrary provision of this Agreement), Subordinate Lender to take a Subordinate Loan Enforcement Action.

(s) **"Surplus Cash"** is defined herein to mean the same as that term is defined in the Regulatory Agreement between Borrower and HUD.

2. **Permission to Allow Mortgage Lien Against Mortgaged Property.**

Senior Lender agrees, subject to the provisions of this Agreement, to allow the Subordinate Mortgage and other recorded Subordinate Loan Documents to remain as a subordinate mortgage lien against the Mortgaged Property (which are subordinate in all respects to the lien of the Senior Security Instrument) to secure Borrower's obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of Borrower to 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 Borrower and Subordinate Lender in Section 3 are true and correct on the date of this Agreement. If any of the representations and warranties made by Borrower and Subordinate Lender in Section 3 are not true and correct on the date of this Agreement, the provisions of the Senior Loan Documents applicable to unpermitted liens on the Mortgaged Property shall apply.

3. **Borrower's and Subordinate Lender's Representations and Warranties.**

Borrower and, with respect to subsections (a) through (d) below, Subordinate Lender each make the following representations and warranties to Senior Lender:

(a) **Subordinate Loan Documents.** The Subordinate Loan is evidenced by the Subordinate Note and is secured by the Subordinate Mortgage.

(b) **Terms of the Subordinate Loan.** The original principal amount of the Subordinate Note is **\$262,000.00**. Interest on the Subordinate Note accrues monthly at the rate of **3%** per annum, *except in the event of default, in which event interest on the Subordinate Note shall accrue at the maximum rate permitted by law.* The Subordinate Note is due and payable in full on **May 1, 2050** ("Maturity"). As long as HUD is the insurer or holder of the Senior Note on FHA Project No. **066-11177**, any payments due or made from project income under the Subordinate Note shall be payable only (i) from Surplus Cash of the Project; but in no event greater than seventy-five percent (75%) of the total amount of Surplus Cash; or (ii) from monies received from Non-Project Sources. No prepayment of the Subordinate Note shall be made until after final endorsement by HUD of the Senior Note, unless such prepayment is made from Non-Project Sources and is approved in writing by HUD. The restriction on payment imposed by this paragraph shall not excuse any default caused by the failure of the Borrower to pay the indebtedness evidenced by the Subordinate Note.

(c) **Relationship of Borrower to Subordinate Lender.** Subordinate

Lender is not an Affiliate of Borrower.

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

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

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

4. Deliveries.

Borrower shall submit the following items to Senior Lender and HUD not later than ten (10) Business Days after the date of the initial disbursement of proceeds of the Subordinate Loan.

(a) **Title Policy Endorsement.** A loan policy of title insurance insuring the lien of the Senior Security Instrument which insures that (i) the lien of the Subordinate Mortgage is subordinate to the lien of the Senior Mortgage, and (ii) this Agreement has been recorded among the applicable land records.

(b) **Certification.** A certification from Borrower and Subordinate Lender to HUD that the Subordinate Loan Documents do not contain any changes from the Subordinate Loan Documents submitted to, and approved by, HUD, before the date of this Agreement.

(c) **Loan Documents.** A complete set of the Subordinate Loan Documents.

5. Terms of Subordination.

(a) **Agreement to Subordinate.** Senior Lender and 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 of the indebtedness evidenced by the Senior Loan Documents, and (ii) the Subordinate Mortgage 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 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 Mortgaged Property). Subordinate Lender agrees to extinguish and release its lien on any and all Mortgaged Property in the event Senior Lender, HUD, or a designee of either acquires the Mortgaged Property pursuant to a deed in lieu of foreclosure.

(b) Subordination of Subrogation Rights. Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Mortgaged Property which (but for this subsection) would 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.

(c) Payments Before Senior Security Instrument Default. Until Subordinate Lender receives a default notice of a Senior Security Instrument Default from Senior Lender, Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents provided that such payments are otherwise permitted under the terms of this Agreement.

(d) Payments After Senior Security Instrument Default. Borrower agrees that, after it receives notice (or otherwise acquires knowledge) of a Senior Security Instrument 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 Mortgage) without Senior Lender's prior written consent. Subordinate Lender agrees that, after it receives a default notice from Senior Lender with written instructions directing Subordinate Lender not to accept payments from Project Sources 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 Mortgage) unless either (i) such payment is being made solely from Non-Project Sources or (ii) such payment is made with Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the Senior Security Instrument Default which gave rise to Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 5 shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new default notice from Senior Lender in accordance with the provisions of this Section 5(d).

(e) Remitting Subordinate Loan Payments to Senior Lender. If, after

Subordinate Lender receives a default notice from Senior Lender in accordance with subsection (d) above, Subordinate Lender receives any payments under the Subordinate Loan Documents (other than payments permitted under subsection (d) above), Subordinate Lender agrees that such payment or other distribution will be received and held in trust for Senior Lender and unless Senior Lender otherwise notifies Subordinate Lender in writing, will be promptly remitted, in kind to Senior Lender, properly endorsed to 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, Borrower specifically authorizes Subordinate Lender to endorse and remit any such payments to Senior Lender, and specifically waives any and all rights to have such payments returned to Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by Subordinate Lender, and remitted to Senior Lender under this Section 5, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to Senior Lender waive any Subordinate Mortgage Default which may arise from the inability of Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Agreement Not to Commence Bankruptcy Proceeding.

Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any Bankruptcy Proceeding with respect to Borrower, without Senior Lender's prior written consent.

6. Default Under Subordinate Loan Documents.

(a) Notice of Default and Cure Rights. Subordinate Lender shall deliver to Senior Lender a default notice within five Business Days in each case where Subordinate Lender has given a default notice to Borrower. Failure of Subordinate Lender to send a default notice to Senior Lender shall not prevent the exercise of Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. Senior Lender shall have the opportunity, but not the obligation, to cure any Subordinate Mortgage Default within 60 days following the date of such notice; provided, however that Subordinate Lender shall be entitled, during such 60-day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents, subject to the limitations set forth in Section 6(b) below.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender. If a Subordinate Mortgage Default occurs and is continuing, Subordinate Lender agrees that it will not commence foreclosure proceedings with respect to the Mortgaged Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents with respect to the Mortgaged Property, 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 without Senior Lender's prior written consent. However, the preceding sentence

shall not (i) limit Subordinate Lender's right to bring an action seeking recovery solely from Non-Project Sources or (ii) preclude Subordinate Lender from exercising or enforcing all the rights available to Subordinate Lender under the Subordinate Loan Documents and/or under applicable law to enforce covenants and agreements of Borrower relating to income, rent or affordability restrictions.

7. Default Under Senior Loan Documents.

(a) Notice of Default and Cure Rights. Senior Lender shall deliver to Subordinate Lender a default notice within five Business Days in each case where Senior Lender has given a default notice to Borrower (provided that Senior Lender shall have no liability to Borrower, Subordinate Lender or to any other Entity for failure to timely give such notice). Failure of Senior Lender to send a default notice to Subordinate Lender shall not prevent the exercise of Senior Lender's right and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. Borrower agrees that Subordinate Lender shall have the opportunity, but not the obligation, to cure either a Monetary Event of Default or a Covenant Event of Default within 30 days following the date of such notice, or any time prior to an assignment of the Senior Security Instrument from Senior Lender to HUD, whichever date is later. Subordinate Lender acknowledges that Senior Lender shall be entitled during such period described above to continue to pursue its remedies under the Senior Loan Documents. Subordinate Lender shall have the opportunity to cure a Covenant Event of Default during such period described above so long as there is no Monetary Event of Default under the Senior Loan Documents. All amounts paid by Subordinate Lender to Senior Lender to cure any default under the Senior Loan Documents shall be deemed to have been advanced by Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Mortgage.

(b) Cross Default. Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Security Instrument Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents.

8. Conflict.

Borrower, Senior Lender and 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 Senior Lender and Subordinate Lender in the Mortgaged Property; and (b) solely as between Senior Lender and Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which Senior Lender and 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 Security Instrument Default or Subordinate Mortgage Default, as the case may be; give Borrower the right to notice of any Senior Security Instrument Default or Subordinate Mortgage Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents, as applicable; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

9. Rights and Obligations of Subordinate Lender under the Subordinate Loan Documents and of 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. Subordinate Lender shall not, without the prior written consent of 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 Subordinate Lender shall have the right to advance funds to cure Senior Security Instrument Defaults pursuant to Section 7(a) above and advance funds pursuant to the Subordinate Mortgage for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Mortgaged Property and curing other defaults by 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 Mortgaged Property (collectively, a "Taking"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Mortgaged Property (collectively, a "Casualty"), at any time or times when the Senior Security Instrument remains a lien on the Mortgaged Property the following provisions shall apply:

(1) Subordinate 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 Senior Lender's rights under the Senior Loan Documents with respect thereto, and Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by or with the written consent of Senior Lender; and

(2) all proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (to payment of the costs and expenses of repair and restoration and/or to payment of the Senior Security Instrument) in the manner determined by Senior Lender in its sole discretion; provided, however, that if Senior Lender elects to apply such

proceeds to payment of the principal of, interest on and other amounts payable under the Senior Security Instrument, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Security Instrument shall be paid to, and may be applied by, Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents. Any proceeds then remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Subordinate Loan Documents shall be paid by the Subordinate Lender to Borrower.

(c) No Modification of Subordinate Loan Documents. Borrower and 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 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 Senior Lender under the Senior Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents without Senior Lender's consent shall be void ab initio and of no effect whatsoever.

10. Modification of Senior Loan Documents; Refinancing of Senior Indebtedness.

Subordinate Lender consents to any agreement or arrangement in which Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money, provided however, there shall be no modification of the Senior Loan Documents without the consent of the Subordinate Lender if such modification would increase the principal amount of the Senior Indebtedness beyond the original principal amount of the Senior Indebtedness (excluding any amounts having been advanced by Senior Lender for the protection of its security interest pursuant to the Senior Loan Documents), increase the interest rate of the Senior Indebtedness, or decrease the original maturity term of the Senior Indebtedness.

Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Indebtedness in accordance with Program Obligations (including reasonable and necessary costs associated with the closing and/or the refinancing) ; and that all 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 Indebtedness, the Senior Note, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the indebtedness related to the refinance loan, the refinance note, the security instrument securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the

refinance note, provided however, there shall be no refinancing of the Senior Indebtedness without the consent of the Subordinate Lender if such refinancing would increase the principal amount of the Senior Indebtedness beyond the original principal amount of the Senior Indebtedness (excluding any amounts having been advanced by Senior Lender for the protection of its security interest pursuant to the Senior Loan Documents), increase the interest rate of the Senior Indebtedness, or decrease the original maturity term of the Senior Indebtedness.

11. Default by Subordinate Lender or Senior Lender.

If 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.

12. 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 Senior Lender or 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 next Business Day 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 Business Days after mailing in the United States), addressed to the respective parties as follows:

SENIOR LENDER:

WALKER & DUNLOP, LLC
7501 Wisconsin Avenue, Suite 1200E
Bethesda, Maryland 20814

With a copy to:

U.S. Department of Housing and Urban Development
Director - Office of Multifamily Asset Management
Room 6160
451 Seventh Street, S.W.
Washington, DC 20410

SUBORDINATE LENDER:

PALM BEACH COUNTY, FLORIDA
301 North Olive Avenue
West Palm Beach, FL 33401

BORROWER:

EXECUTIVE TRUST, LTD.
3225 Aviation Avenue, Suite 602
Coconut Grove, FL 33133

Either 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.

13. [Intentionally Omitted.]**14. General.**

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

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

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

(d) **Further Assurances; UCC Financing Statements.** Subordinate Lender, Senior Lender and Borrower each agree, at 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 Loan Documents are subordinate to the lien, covenants and

conditions of the Senior Loan Documents, or to further evidence the intent of this Agreement. Senior Lender is hereby authorized to file any and all UCC financing statement amendments required to reflect the priority of the Senior Indebtedness.

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

(f) Governing Law. This Agreement shall be governed by the laws of the State in which the Mortgaged Property is located, except as, so long as the Senior loan is insured or held by HUD, and solely as to rights and remedies of HUD, federal jurisdiction may be appropriate pursuant to any federal requirements. The State courts, and with respect to HUD's rights and remedies, federal courts, and governmental authorities in the State in which the Mortgaged Property is located, shall have exclusive jurisdiction over all controversies which shall arise under or in relation to the Subordinate Loan Documents. Borrower irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise.

(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 Subordinate Lender is obligated to remit to Senior Lender pursuant to Section 5 hereof; (iii) the acquisition by Senior Lender of title to the Mortgaged Property pursuant to a foreclosure; or (iv) the acquisition by Subordinate Lender of title to the Mortgaged Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Mortgage, but only if such acquisition of title does not violate any of the terms of this Agreement. Notwithstanding the foregoing, in the event the Senior Indebtedness is refinanced, the term of this Agreement shall continue and the Subordinate Indebtedness and Subordinate Loan Documents shall be subordinate to any such indebtedness related to the refinance loan as provided in Section 10 above.

(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.

Each signatory below hereby certifies that each of their statements and representations contained in this Agreement and all their supporting documentation

thereto are true, accurate, and complete. This Agreement has been made, presented, and delivered for the purpose of influencing an official action of HUD in insuring the Loan, and may be relied upon by HUD as a true statement of the facts contained therein.

[Signature pages to follow.]

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

SENIOR LENDER:

Lindsey H
Print Name: Lindsey Holder

Robert Andrew Ward
Print Name: Robert Andrew Ward

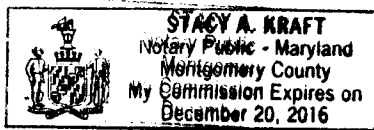
Walker & Dunlop, LLC, a Delaware limited liability company

By: *Charles Blessed*
Name: Charles Blessed
Title: Senior Closing Officer

[SEAL]

STATE OF Maryland
COUNTY OF Montgomery

The foregoing instrument was acknowledged before me this 26th day of May, 2015, by Charles Blessed, as Senior Closing Officer of Walker & Dunlop, LLC, a Delaware limited liability company, on behalf of said corporation. Said person is personally known to me or has produced a valid driver's license as identification.



Stacy A. Kraft
Notary Public, State of Maryland
Print Name: Stacy A. Kraft
My Commission Expires: December 20, 2016
My Commission No: n/a

WITNESS:

Signature: Patricia A. Hiddle
 Name: Patricia A. Hiddle

Signature: Amin Henry
 Name: AMIN HENRY

PALM BEACH COUNTY, FLORIDA, a political
 subdivision of the State of Florida,

FOR ITS BOARD OF COUNTY
 COMMISSIONERS

By: Shannon R. LaRocque
 Name: Shannon R. LaRocque
 Its: Assistant County Administrator

STATE OF FLORIDA
 COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 22nd day of May, 2015, by Shannon R. LaRocque, as Assistant County Administrator of Palm Beach County, Florida, a political subdivision of the State of Florida, on behalf of said County. Said person is personally known to me or has produced a valid driver's license as identification.

(SEAL ABOVE)

Signature: Sharon C. Meeks
 Notary Public: State of Florida
 Print Name: Sharon C. Meeks

Approved as to Form and Legal Sufficiency

By: James Brako
 James Brako, Assistant County Attorney

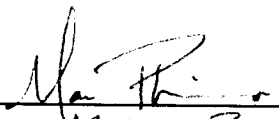



Approved As To Terms And Conditions
 Department of Economic Sustainability

By: Sherry Howard
 Sherry Howard, Deputy Director
 Department of Economic Sustainability

BORROWER:

Witnesses:


Print Name: MARIO ROBESON


Print Name: RICARDO A. MARLAR

EXECUTIVE TRUST, LTD., a
Florida limited partnership,

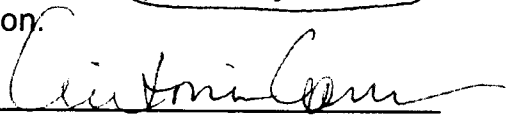
By: Executive Trust Associates, LLC, a
Florida limited liability company, as
its General Partner,

By: 
Matthew Rieger
Manager

Acknowledgment:

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledgement before me this 20th day of
MAY, 2015, by Matthew Rieger, the Vice President of Executive Trust
Associates, LLC, a Florida limited liability company (the "Company"), the General
Partner of Executive Trust, LTD., a Florida limited partnership (the "Partnership") on
behalf of the Company and the Partnership. 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.: _____



**SCHEDULE A
DESCRIPTION OF SENIOR LOAN DOCUMENTS**

- 1. NOTE (MULTISTATE), DATED OF EVEN DATE HERewith, EXECUTED BY EXECUTIVE TRUST, LTD., FOR THE BENEFIT OF WALKER & DUNLOP, LLC, A DELAWARE LIMITED LIABILITY COMPANY, IN THE ORIGINAL PRINCIPAL AMOUNT OF \$20,729,900.00.**
- 2. MULTIFAMILY MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT, DATED OF EVEN DATE HERewith, BY AND BETWEEN EXECUTIVE TRUST, LTD., AND WALKER & DUNLOP, LLC, A DELAWARE LIMITED LIABILITY COMPANY.**
- 3. ALL OTHER DOCUMENTS EXECUTED IN CONNECTION WITH OR TO SECURE THE NOTE REFERENCED ABOVE.**

SCHEDULE B
DESCRIPTION OF SUBORDINATE LOAN DOCUMENTS

1. Promissory Note in the original principal amount of \$262,000.00 dated March 30, 2005, executed by Executive Trust, Ltd. for the benefit of Palm Beach County, Florida, as modified by that certain Allonge to Promissory Note of even date herewith.
2. Mortgage and Security Agreement, dated March 30, 2005 and recorded on April 6, 2005 in OR Book 18373 Page 0865 of the Public Records of Palm Beach County, Florida, executive by Executive Trust, Ltd. for the benefit of Palm Beach County, Florida, as modified by that certain First Global Modification and Amendment of Mortgage and Security Agreement, Promissory Note and Other Loan Documents, dated of even date herewith and to be recorded in the Public Records of Palm Beach County, Florida
3. All other documents in connection with the Note and Mortgage referenced above.

EXHIBIT A
LEGAL DESCRIPTION

All of Malibu Bay, according to plat thereof, as recorded in Plat Book 101, Page 54, of the Public Records of Palm Beach County, Florida.

Together with a Non-Exclusive Drainage Easement for the benefit of the above described property by virtue of the Grant Of Easement recorded in O.R. Book 16174, Page 1054, Public Records of Palm Beach County, Florida.

Also known as:

PARCEL 1:

Being a parcel of land lying in portions of Sections 17, 19, and 20, Township 43 South, Range 43 East, Palm Beach County, Florida, and being more particularly described as follows:

Commencing at a point in the South line of Palm Beach Lakes Boulevard, as recorded in Plat Book 28, Page 94, of the Public Records of Palm Beach County, Florida at the intersection with the Northwest corner of the Plat of EXECUTIVE CENTER DRIVE, as recorded in Plat Book 88, Page 55, of the Public Records of Palm Beach County, Florida; thence along the North line of said Plat of EXECUTIVE CENTER DRIVE, the following four (4) courses and distances: 1) South 04°03'34" East, a distance of 52.51 feet; 2) South 45°04'45" East, a distance of 71.77 feet to a point of curvature of a circular curve concave to the Southwest having a radius of 2007.85 feet and a central angle of 09°30'08"; 3) along the arc of said curve an arc length of 332.99 feet; 4) North 36°57'36" East, a distance of 2.62 feet to the Point of Beginning; thence continue North 36°57'36" East, a distance of 417.18 feet; thence North 53°02'24" West, a along a line radial to the next described curve, 30.00 feet to a point of curvature of a circular curve concave to the Southeast having a radius of 2538.57 feet and a central angle of 02°08'52"; thence along the arc of said curve an arc distance of 95.15 feet; thence South 49°23'42" East, a distance of 395.50 feet; thence South 23°46'37" East, a distance of 216.19 feet; thence South 29°18'45" East, a distance of 21.53 feet; thence South 38°50'37" East, a distance of 43.83 feet; thence South 35°50'27" East, a distance of 46.10 feet; thence South 16°20'21" East, a distance of 130.50 feet; thence South 24°46'56" West, a distance of 8.29 feet; thence South 23°46'37" East, a distance of 482.54 feet; thence South 68°28'10" West, a distance of 176.16 feet to a point of curvature of a circular curve concave to the Northwest having a radius of 460.00 feet and a central angle of 25°03'41"; thence along the arc of said curve an arc length of 201.21 feet to a point in the said Northerly line of the Plat of EXECUTIVE CENTER DRIVE; thence along said Northerly line the following four (4) courses and distances: 1) North 48°34'10" West, a distance of 4.12 feet to a point of curvature of a circular curve concave to the Northeast having a radius of 2017.61 feet and a central angle of 15°34'12"; 2) along the arc of said curve an arc distance of 548.28 feet; 3) North 32°59'58" West, a distance of 354.71 feet to a point of curvature of a

(LEGAL DESCRIPTION CONTINUES ON NEXT PAGE)

circular curve concave to the Southwest having a radius of 2010.35 feet and a central angle of 2°35'59"; 4) along the arc of said curve an arc distance of 91.21 feet to the Point of Beginning.

THE ABOVE NOW BEING DESCRIBED AS:

All of the Plat of MALIBU BAY, according to the Plat thereof, as recorded in Plat Book 101, Page 54, of the Public Records of Palm Beach County, Florida.

TOGETHER WITH THE FOLLOWING DESCRIBED PROPERTY:

PARCEL 2:

A drainage easement lying in Section 17, Township 43 South, Range 43 East, Palm Beach County, Florida being more particularly described as follows:

Commencing at the Southwest corner of said Section 17; thence South 89°51'41" East, along the South line of said Section 17, a distance of 95.10 feet; thence departing said South line North 36°57'36" East, a distance of 176.22 feet; thence North 53°02'24" West on a radial bearing, a distance of 30.00 feet to a point on the Northerly line of an 80 foot Non-Exclusive Outfall Easement and Drainage Easement recorded in Official Records Book 8135, Page 1017, Official Records book 11870, page 300 and Official Records Book 2550, Page 1406, Public Records of Palm Beach County, Florida and a point of curvature of a curve concave to the Southeast, having a radius of 2538.27 feet, a radial bearing of South 53°02'24" East, and a central angle of 02°08'52"; thence Northeasterly along said Northerly line and arc of said curve, a distance of 95.15 feet to the Point of Beginning; thence continue along said Northerly line and said curve, concave to the Southeast, having a radius of 2538.27 feet, a radial bearing of South 50°53'32" East and a central angle of 11°24'29"; thence Easterly along the arc of said curve, a distance of 505.39 feet to a point on the North line of a 60 foot Drainage Easement, as described in Official Records Book 2550, Page 1406, Public Records of Palm Beach County, Florida; thence North 62°01'43" East, along said North line, a distance of 328.99 feet to a point on the Westerly line of a 50 foot Drainage Easement as described in Official Records Book 2550, Page 1406; thence departing said North line North 26°37'24" West, along the Westerly line of said 50 foot Drainage Easement, a distance of 182.97 feet to a point on the Northerly line of a parcel of land described in Official Records Book 11242, Page 1534, Public Records of Palm Beach County, Florida; thence North 63°55'19" East, along said Northerly line, a distance of 50.00 feet to a point on the Easterly line of said 50 foot Drainage Easement; thence South 26°37'24" East, along the Easterly line, a distance of 241.33 feet to the Southeast corner of said 60 foot Drainage Easement described in Official Records Book 2550, Page 1406; thence South 62°01'43" West, along the Southerly line of said 60 foot Drainage Easement, a distance of 365.37 feet; thence South 39°29'03" East to the Southeast corner of said 80 feet Non-Exclusive Outfall Easement and Drainage Easement recorded in Official Records Book 8135, Page 1017, Official Records Book 11870, Page 300 and Official Records Book 2550, Page 1406, a distance of 18.77 feet and the point of curvature of a non-tangent curve concave to the Southeast, having a radius of 2458.27 feet, a radial bearing of South 39°29'03" East and a central angle of 11°27'24"; thence Southwesterly along the South line of said 80 foot easement and the arc of said curve, a distance of 491.55 feet; thence departing said South line, North 49°23'42" West, a distance of 80.03 feet to the Point of Beginning.

(END OF LEGAL DESCRIPTION)

GUARANTY

FOR VALUE RECEIVED, and to induce PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida (herein called "Lender"), whose address is 301 North Olive Avenue, West Palm Beach, Florida 33401, to modify that certain loan made to EXECUTIVE TRUST, LTD. (herein called "Borrower") on March 30, 2005, in the original principal amount of \$262,000.00 (the "Loan"), HOUSING TRUST GROUP, LLC, a Florida limited liability company ("Guarantor"), whose address is 3225 Aviation Avenue, Suite 602, Coconut Grove, Florida 33133, hereby irrevocably and unconditionally guarantees to Lender the payment of the Monitoring Fee (as described below).

1. "Monitoring Fee" shall include and only include that certain monitoring fee in the initial amount of \$7,500, and increasing by 2% of every three years, payable by Borrower to Lender pursuant to that certain Promissory Note, in the original principal amount of \$262,000.00 dated March 30, 2005, as modified by that certain Allonge to Promissory Note, dated of even date herewith, both given by Borrower to Lender (collectively, the "Note").

2. "Interest Payment" shall be defined as that certain 3% annual interest payment (\$7,860) per year due by Borrower to Lender pursuant to the Note.

3. In the event Borrower cannot pay all or any portion of the Monitoring Fee and/or the Interest Payment as required by the Note, Guarantor shall pay directly to Lender any portion of the Monitoring Fee and/or Interest Payment remaining unpaid.

4. Guarantor's obligations under this guaranty shall automatically terminate upon the repayment of the Loan.

5. All notices, requests, and demands to or upon the parties to this guaranty shall be deemed to have been given or made when delivered by hand, or when deposited in the mail, postage prepaid by registered or certified mail, return receipt requested, or, addressed as shown in the preamble to this guaranty or such other address as may be hereafter designated in writing by one party to the other.

6. In the event of a default by Guarantor of its obligations hereunder, Guarantor shall pay all costs of collection, including reasonable attorney's fees of any suit, out of court, in trial, on appeal, in bankruptcy proceedings, or otherwise, incurred or paid by Lender in enforcing the payment of the Monitoring Fee.

7. This guaranty shall be construed in accordance with the laws of Florida. Wherever possible, each provision of this guaranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this guaranty shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this guaranty. To the extent permitted by applicable law, the undersigned hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect. Any litigation arising hereunder or related hereto shall be commenced and conducted in

the State or federal courts of the State of Florida, unless Lender elects otherwise in order to realize on collateral located outside of Florida.

8. The undersigned hereby consents to the jurisdiction of the courts of the State of Florida. The undersigned agrees that venue for any and all actions, suits or other legal proceedings arising under this guaranty or related thereto shall lie exclusively in the appropriate court of competent jurisdiction in Palm Beach County, Florida.

9. THE UNDERSIGNED AND LENDER HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT THEY MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS GUARANTY AND ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREUNDER, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER ORAL OR WRITTEN), OR ACTION OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER TO ENTER INTO THE BORROWINGS CONTEMPLATED HEREUNDER.

IN WITNESS WHEREOF, Guarantor has executed this guaranty as of the date and year set forth below.

DATED: As of May 28, 2015

HOUSING TRUST GROUP,
LLC, a Florida limited liability
company

By: 

Name: RANDY PIERCE

Title: MANAGER

**AMENDMENT 004 TO THE AGREEMENT
WITH
PALM BEACH COUNTY HOUSING AUTHORITY**

Amendment 004 entered into on April 10, 2015, by and between **Palm Beach County** (hereinafter "County") and **Palm Beach County Housing Authority** (hereinafter "Agency").

WITNESSETH:

WHEREAS, the County entered into an Agreement (R2013-0384), with the Agency on January 21, 2013, as amended on January 6, 2014 by Amendment 001 (R2014-0142), on February 4, 2014 by Amendment 002 (R2014-0143), and on February 8, 2015 by Amendment 003 (R2015-0189), to provide \$1,023,945.83 of Neighborhood Stabilization Program 3 (NSP3) funds and \$773,191 of Neighborhood Stabilization Program 2 (NSP2) funds for the acquisition and rehabilitation of 65 apartments known as South Bay Villas (SBV), (the "Project"); and

WHEREAS, the parties wish to further modify the Agreement to, among other things, extend certain Project completion dates; and

WHEREAS, both parties desire to modify the original Agreement, as amended, in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and various other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A. INCORPORATION OF RECITALS

The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning as ascribed to them in the Agreement.

B. SECTION 4 - MAXIMUM COMPENSATION

Delete the following language: "The NSP2 funds made available through this Agreement that are not drawn and expended by May 1, 2015 shall remain with the County and not be available for reimbursement to the Agency"

Replace the deleted language with the following: "The NSP2 funds made available through this Agreement that are not expended by July 29, 2015, shall remain with the County and not be available for reimbursement to the Agency"

C. SECTION 6 - METHOD OF PAYMENT

Delete the following language: "The Agency shall submit all final reimbursement requests for payments made by the Agency for NSP2 eligible reimbursable expenses no later than May 1, 2015".

Replace the deleted language with the following: "The Agency shall submit all final reimbursement requests for payments made by the Agency for NSP2 eligible reimbursable expenses no later than July 19, 2015".

D. EXHIBIT A - SECTION I.A - OVERVIEW OF THE PROJECT

1. Delete the deadline date for construction completion and occupancy of Buildings 1 and 3, "July 29, 2015", and replace it with "September 30, 2015".

E. EXHIBIT J - SECTION D.1: REHABILITATION OF SBV

1. Phasing and Funding of the Rehabilitation of SBV

1. Delete the deadline date for Phase I, construction completion, May 31, 2015, and replace it with August 30, 2015, and delete the deadline date for occupancy of the Phase I units, July 29, 2015, and replace it with September 30, 2015.

2. Delete the second paragraph which includes the date whereby the Agency shall provide DES with documented evidence of funding availability to complete the remaining units and costs estimates for the balance of the rehabilitation work.

Replace the deleted language in the second paragraph with the following: "The Agency shall, on August 1, 2015, and on the first day of each month thereafter until the expiration of this Agreement, provide DES, documentation evidencing the financing, status of project plans/specifications, funding applications and/or commitments, contracts, or any pertinent information related to the rehabilitation of any or all of the remaining units at South Bay Villas. The Agency acknowledges that it is responsible for the rehabilitation of the remaining units and is committed to completing the entire SBV renovation on or before June 30, 2017, in additional phases, in a timely manner. Documentation sent to DES shall include start dates and completion dates for identified tasks. DES staff shall utilize these monthly submissions to assess the Agency's overall performance and progress on the Project."

Except as modified by this Amendment 004, and previously, the Agreement remains unmodified and in full force and effect in accordance with the terms thereof. This Amendment 0004 is expressly contingent upon the approval of the County and shall become effective only when signed by all parties.

IN WITNESS WHEREOF, Agency and the County have caused this Amendment 004 to be executed on the date first above written.

(AGENCY SEAL BELOW)

PALM BEACH COUNTY HOUSING

AUTHORITY

By: Arsaila Bryd
Arsaila Bryd, Chair

By: Van Johnson
Van Johnson, Executive Director

(COUNTY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida**

BOARD OF COUNTY COMMISSIONERS

By: Shannon R. LaRoque
Shannon R. LaRoque
Assistant County Administrator

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Department of Economic Sustainability

By: James Brako
James Brako
Assistant County Attorney

By: Sherry Howard
Sherry Howard
Deputy Director