

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date:	July 8, 2025	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Department:	Housing and Economic Development		

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**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to receive and file:

- A) an Assumption and Global Modification of the Loan Agreement (R2009-0100) and related Loan Documents in connection to the conveyance of ownership of the Quiet Waters Project (Project) from McCurdy Centre, Ltd. (McCurdy). to Quiet Waters Preservation, LP (Quiet Waters);
- B) a Subordination Agreement with Florida Housing Finance Corporation (FHFC); and
- C) a Subordination Agreement with U.S. Bank Trust Company, National Association.

**Summary:** On July 13, 2009, the Palm Beach County (County) Board of County Commissioners (BCC) entered into a Loan Agreement (R2009-0100) with McCurdy to provide \$600,000 in State Housing Initiatives Partnership (SHIP) funding for the construction of the Project located at 306 SW 10<sup>th</sup> Street in Belle Glade. On October 22, 2024 (Agenda Item 31-13), the BCC approved a conveyance of the Project to accommodate a change in ownership from McCurdy to Quiet Waters, and primary funding. The documents have been executed on behalf of the BCC by the Director of the Department of Housing and Economic Development in accordance with Agenda Item 31-13, as approved by the BCC on October 22, 2024, which delegated authority to the County Administrator or designee to execute agreements, amendments, and all other related documents necessary to effectuate the conveyance, and that do not substantially change the scope of work, terms or conditions of the agreement. In accordance with County PPM CW-O-051 all contracts, agreements and grants signed with delegated authority must be submitted by the initiating Department as a receive and file agenda item. **These are State SHIP funds which require no local match.** District 6 (HJF)

**Background and Justification:** The FHFC provides an annual allocation of SHIP grant funding to the County. SHIP works to provide affordable rental housing and homeownership opportunities for persons with incomes no greater than 140% of Area Median Income.

**Attachment(s):**

- 1. Assumption and Global Modification (2)
- 2. Subordination Agreement with Florida Housing Finance Corporation (2)
- 3. Subordination Agreement with U.S. Bank (2)
- 4. Allonge to Amended & Restated Promissory Note (dated March 21, 2025) (2)
- 5. Allonge to Amended & Restated Promissory Note (dated March 31, 2025) (2)
- 6. Loan Agreement R2009-0100

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Recommended By: Jonathan Braun  
Department Director

6/3/2025  
Date

Approved By: James R. [Signature]  
Assistant County Administrator

6/10/25  
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Grant Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes \_\_\_\_\_ No \_\_\_\_\_  
Does this Item include the use of Federal funds? Yes \_\_\_\_\_ No \_\_\_\_\_  
Does this Item include the use of State funds? Yes \_\_\_\_\_ No \_\_\_\_\_


Budget Account No.:

Fund \_\_\_\_\_ Dept. \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_ Program Code/Period \_\_\_\_\_

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

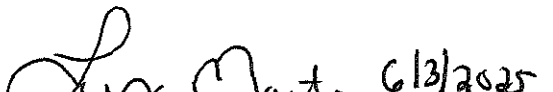
No additional fiscal impact.

C. Departmental Fiscal Review:

  
Valerie Alleyne, Division Director II  
Finance and Administrative Services, DHED


III. REVIEW COMMENTS

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

  
OFMB *DA 6/3* *QA 6/3*

  
Contract Development and Control *6/4/25*

B. Legal Sufficiency:

  
Chief Assistant County Attorney

C. Other Department Review:

\_\_\_\_\_  
Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

THIS INSTRUMENT PREPARED  
BY AND RETURN TO:

Jeffrey Bolton  
Department of Housing & Economic  
Development  
100 Australian Avenue, Suite 500  
West Palm Beach, FL 33406

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE ONLY

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

**THIS ASSUMPTION AND GLOBAL MODIFICATION OF LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT, PROMISSORY NOTE, AND OTHER LOAN DOCUMENTS** (this "**Agreement**") is dated as of March 31, 2025 (the "**Effective Date**"), by and among **MCCURDY CENTER, LTD.**, a Florida limited partnership (the "**Seller**"), with an address at 5324 Star Rush Lane, Lake Worth, Florida 33467, and **QUIET WATERS PRESERVATION LP**, a Florida limited partnership (the "**Purchaser**"), with an address at 100 Wells Avenue, Newton, MA 02459, and **PALM BEACH COUNTY**, a political subdivision of the State of Florida (the "**County**"), with an address at 301 North Olive Avenue, West Palm Beach, Florida 33401.

**W I T N E S S E T H:**

**WHEREAS**, on or about February 5, 2009, the County made a loan to Seller in the original principal amount of Six Hundred Thousand and No/100 Dollars (\$600,000.00) (the "**County Loan**") pursuant to that certain Loan Agreement dated January 13, 2009, between the County and Seller (the "**Loan Agreement**"). The County Loan, Loan Agreement and Seller's obligations thereunder are: (a) further evidenced by an Amended and Restated Promissory Note, dated February 5, 2009, in the amount of the County Loan by Seller in favor of the County, as affected by that certain Allonge to Amended and Restated Promissory Note dated March 21, 2025 (the "**County Note**"), and (b) secured *inter alia* by a Mortgage and Security Agreement by Seller in favor of the County, dated February 5, 2009, and recorded February 6, 2009, in Official Records Book 23068, Page 1053, of the Public Records of Palm Beach County, Florida (the "**County Mortgage**") and other related loan documents.

**WHEREAS**, the Loan Agreement, County Note, County Mortgage and such other loan documents described on Exhibit "B" attached hereto shall be known herein as the "**County Loan Documents**".

**WHEREAS**, the County Loan was made in connection with the development of the property, improvements and fixtures, which collectively are commonly known as Quiet Waters (the “**Development**”). The County Mortgage encumbers the right, title and interest of the Development and the “**Property**”, as that term is defined in the County Mortgage and also described on Exhibit “A” attached hereto.

**WHEREAS**, the County was advised of the sale of the Development by Seller to Purchaser pursuant to that certain Contract for Purchase and Sale of Real Property dated as of November 20, 2023, as amended and assigned (the “**Transaction**”).

**WHEREAS**, as a condition to the County providing consent to the Transaction, on or prior to the closing of the Transaction, Seller shall pay the County One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) towards the current outstanding amount of the County Loan (the “**County Loan Pay-Down**”).

**WHEREAS**, as of the Effective Date and taking into account the County Loan Pay-Down, the principal amount owing under the Loan is \$450,000.00 and the unpaid accrued interest is \$0.

**WHEREAS**, the County has consented to, subject to the execution and delivery of this Agreement: (i) the transfer by Seller of all right, title and interest of Seller in and to the Property to Purchaser, (ii) the assumption by Purchaser of the obligations and liabilities of Seller under the County Loan Documents first arising from and after the Effective Date, (iii) the release of Seller from all obligations and liabilities under the County Loan Documents first arising from and after the Effective Date, and (iv) certain other amendments and modifications to the County Loan Documents as set forth herein.

**NOW, THEREFORE**, for and in consideration of the mutual covenants, promises and agreements set forth herein, the receipt and sufficiency of which the parties hereby acknowledge, the Purchaser, the Seller and the County agree as follows:

**Section 1.     Definitions and Incorporation of Recitals.** All capitalized terms used in this Agreement and not otherwise defined herein shall have the same meanings as set forth in the County Mortgage unless the context clearly requires otherwise. The foregoing recitals and the capitalized terms defined therein are hereby incorporated by reference as if fully set forth herein.

**Section 2.     Assumption by Purchaser of Obligations Under the County Loan Documents.**

(a) Seller hereby assigns, transfers, and conveys to Purchaser all rights and benefits conferred on it under the County Loan Documents, and all indebtedness, obligations, liabilities, representations, warranties, covenants, agreements, conditions, restrictions and limitations under the County Loan Documents in accordance with the terms of the County Loan Documents, as amended by this Agreement.

(b) Purchaser hereby covenants and agrees as follows: (i) Purchaser assumes and agrees to pay and perform all obligations and liabilities of the Seller under the County Loan Documents, as owner of the Property and as operator of the Development (whether designated in the County Mortgage as the “Mortgagor”, Loan Agreement as the “Borrower”, or otherwise) first



arising from and after the Effective Date; (ii) Purchaser assumes and agrees to pay all accrued and unpaid interest on the County Loan when due under the County Loan Documents as amended by this Agreement, and (iii) Purchaser agrees to be bound by and comply with all covenants, agreements, conditions, restrictions and limitations applicable to the owner of the Property and operator of the Development (whether designated therein as the "Mortgagor", the "Borrower", or otherwise) pursuant to the County Loan Documents, concerning the operation of the Development, arising from and after the Effective Date.

(c) Notwithstanding any provision of this Agreement, or of the County Loan Documents, as assumed hereby, to the contrary, Purchaser and its members, partners and/or manager shall have no responsibility, obligation or liability to the County, to Seller or any member, shareholder, director or manager of Seller, or to any tenant or former tenant of the Development for:

(i) any breach or default by Seller under the County Loan Documents, occurring, accruing, arising or relating to any time or first occurring prior to the Effective Date;

(ii) any unperformed obligation of Seller to the extent the same arise from events, actions or omissions that occurred during Seller's ownership of the Property and operation of the Development prior to the Effective Date; or

(iii) any obligation or liability in connection with any violation of, or misrepresentation by Seller during the period of time Seller owned the Development;

### **Section 3. Release of Seller From Obligations Under the County Loan Documents.**

(a) Seller and its members, partners, manager and affiliates shall have no responsibility, obligation or liability to the County, to Purchaser or any member, shareholder, director or manager of Purchaser, or to any tenant or former tenant of the Development for:

(i) any breach or default by Purchaser under the County Loan Documents, occurring, accruing, arising or relating to any time or first occurring from and after the Effective Date;

(ii) all obligations of Purchaser which arise from events, actions or omissions that occur during Purchaser's ownership of the Property and operation of the Development at any time from and after the Effective Date; or

(iii) any obligation or liability in connection with any violation of, or misrepresentation by Purchaser that occurs at any time from and after the Effective Date;

### **Section 4. Consent of County.** The County hereby consents to the following:

(a) The sale, assignment and transfer of all right, title and interest of Quiet Waters Apartments and all other property included within the term "Mortgaged Property" as defined in the County Mortgage to Purchaser;

(b) The assignment and transfer to Purchaser of all rights and benefits conferred on Seller under the County Loan Documents;

(c) The assumption by Purchaser of those obligations and liabilities of Seller under the County Loan Documents;

(d) The release of Seller and its members, partners, manager and affiliates of and from all obligations, liabilities indebtedness, representations, warranties, covenants, agreements, conditions, restrictions and limitations under the County Loan Documents that occur, accrue, arise or relate to any time from and after the Effective Date; and

(e) The following senior loans (the “**Senior Loans**”): (i) that certain bond loan by the Housing Finance Authority of Palm Beach County, Florida (“**Governmental Lender**”), in the original principal amount of \$9,369,000.00 (“**Bond Loan**”), which Bond Loan will be funded with the proceeds from a separate loan made to Governmental Lender by Berkadia Commercial Mortgage LLC, a Delaware limited liability company (“**Funding Lender**”), in the original principal amount of \$9,369,000.00 (“**Funding Loan**”), which Funding Loan will be purchased by the Federal Home Loan Mortgage Corporation (“**Freddie Mac**”); and (ii) that certain SAIL loan from Florida Housing Finance Corporation in the original principal amount of \$1,750,000.

**Section 5. Representations, Warranties and Agreements of the Purchaser.** The Purchaser hereby represents and warrants to and agrees with the Seller and the County as follows:

(a) Executed counterparts or photocopies of executed counterparts of this Agreement and the County Loan Documents, have been received and reviewed by the Purchaser and its counsel. The Purchaser is knowledgeable of the Development and has made an independent investigation of all facts and circumstances deemed relevant to it in connection with the acquisition of the Development and the Fee Simple estate and operation of the Development and is familiar with all of the terms, provisions and conditions of the County Loan Documents, and all of the obligations thereunder which have been assumed by the Purchaser under Section 2 of this Agreement.

(b) The Purchaser has obtained all consents, authorizations and approvals from all governmental agencies and other governmental authorities necessary for its acquisition of the Development and the Property and operation of the Development.

(c) Purchaser has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to carry on its business as now conducted, including, without limitation, its acting as successor owner of the Development and Property and operator of the Development.

(d) Purchaser has full power, authority and legal right to enter into, execute and deliver this Agreement and to assume and perform the obligations under the County Loan Documents, as set forth herein and to engage in the transactions contemplated thereby.

(e) As of the date hereof, Purchaser has no knowledge of any matters or circumstances that would adversely affect its creditworthiness and/or management ability to operate the Development in the manner contemplated by the County Loan Documents.

(f) Purchaser agrees to execute such other agreements and documents as may be required by the County or Seller to effectuate the transactions contemplated by this Agreement; provided, that any such agreement or document shall not adversely affect Purchaser's rights and obligations under this Agreement and shall not amend, change, alter or modify any of the terms, conditions and provisions of the County Loan Documents.

(g) Purchaser warrants that its correct legal name is QUIET WATERS PRESERVATION LP, and it has been properly organized and is in active status under the laws of the State of Florida as of the Effective Date.

(h) Purchaser warrants that Affordable Housing Institute, Inc., a Florida not for profit corporation ("GP"), is the sole general partner of Purchaser and has been properly organized and is in active status under the laws of the State of Florida as of the Effective Date. GP, acting for itself and as the sole general partner of the Purchaser, has full power, authority and legal right to enter into, execute and deliver this Agreement on behalf of Purchaser and to engage in the transactions contemplated thereby on behalf of Purchaser.

(i) As of the Effective Date, Purchaser has no right of offset against or counterclaim or defense in its respect of the obligations to pay and perform the County Loan Documents as set forth herein, and hereby waives and releases any such right, counterclaim or defense it may have as of the Effective Date.

**Section 6. Seller's Representations and Warranties.** Seller represents and warrants to the County and Purchaser that:

(a) Seller is properly organized under and in active status under the laws of the State of Florida, with full power, authority and legal right to enter into, execute and deliver this Agreement, to transfer the Property and operations of the Development to Purchaser, and to engage in the transactions contemplated hereby.

(b) The County Loan Documents are in full force and effect and constitute restrictions upon the use and operation of the Development described therein in accordance with their terms.

(c) The execution, delivery and performance of this Agreement: (i) have been duly authorized on behalf of Seller by all necessary corporate, company, partnership or judicial action as the case may be and, upon its execution by the other parties hereto, this Agreement shall be in full force and effect as of the Effective Date; (ii) do not contravene any federal, state or local law, statute, ordinance, rule or regulation, or any judgment, decree or order of any federal, state or local court of competent jurisdiction or governmental body or agency by which Seller or its properties and assets, including the Development, are bound; and (iii) do not violate or result in a default under any agreement, contract, indenture, mortgage, deed of trust, security agreement or other instrument to which Seller is a party or by which its properties and assets, including the Development, are bound.

(d) Seller agrees to execute such other agreements and documents as may be reasonably required by the County or Purchaser to effectuate the transactions contemplated by this Agreement; provided, that any such agreement or document shall not adversely affect Seller's rights and obligations under this Agreement.

(e) As of the Effective Date, other than the County Loan, there are no outstanding unpaid loans from the County to the Seller.

(f) As of the Effective Date, Seller is not in default or material breach of any of the terms or provisions under the County Loan Documents.

**Section 7. The County's Representations and Warranties.** The County represents and warrants to Seller and Purchaser that:

(a) The undersigned signatory on behalf of the County has the requisite capacity and authority to execute this Agreement on behalf of the County and to legally bind the County to the terms and provisions hereof.

(b) From and after the Effective Date, the County will recognize the right of Purchaser to exercise all rights and benefits conferred upon Seller under the County Loan Documents, and Purchaser shall be bound by all the terms and conditions in the County Loan Documents.

(c) As of the Effective Date: (i) the County has received the County Loan Pay-Down from Seller; (ii) the principal amount owing under the County Loan is \$450,000.00; (iii) the unpaid accrued interest owing under the County Loan Documents is \$0; (iv) Seller is not in default with respect to its obligations under the County Loan Documents, and (v) Seller and its members, partners, manager and affiliates shall be released of and relieved from all obligations, liabilities indebtedness, representations, warranties, covenants, agreements, conditions, restrictions and limitations under the County Loan Documents that occur, accrue, arise or relate to any time from and after the Effective Date.

**Section 8. Modifications to County Loan Documents.** From and after the Effective Date, the County Loan Documents shall be modified in accordance with the terms set forth on Schedule A attached to and incorporated into this Agreement. In the event of any conflict between the provisions of Schedule A and any provisions set forth in the County Loan Documents, or such other loan documents executed in connection with the County Loans, the provisions of Schedule A shall control.

**Section 9. References to County Loan Documents.** All references to the term "Loan Documents" in the County Mortgage and the County Loan Documents are modified to include this Agreement.

**Section 10. Authority.** The signatories on behalf of Seller and Purchaser each represent that they have the requisite capacity and authority to execute and deliver this Agreement and to legally bind Seller and Purchaser to the terms and provisions hereof.

**Section 11. Notices.** All notices or other communications required under this Agreement shall be in writing and shall be given by personal delivery, Federal Express or UPS (or other similar nationally recognized overnight courier service) or by registered or certified U.S. Mail, return receipt requested, addressed to the other party at the address indicated herein or to such other address as a party may designate by notice given herein provided. Any notice provided via electronic mail shall be followed by another form of written notice as provided herein. Notice shall be deemed given on the day on which hand-delivered or on the day hand-delivery is refused;

or if by U.S. Mail, on the day of actual receipt, or on the day acceptance of delivery is refused; or if by overnight courier, the day of actual delivery or the day on which delivery is refused; or if by electronic mail, on the day of actual receipt of written copy delivered via personal delivery, U.S. Mail, or overnight courier or the day on which such delivery is refused, as follows:

**Purchaser:**                   **QUIET WATERS PRESERVATION LP**  
100 Wells Avenue  
Newton, MA 02459  
Attention: John Tatum  
E-Mail: [jtatum@wingatecompanies.com](mailto:jtatum@wingatecompanies.com)

With a copy to:           Affordable Housing Institute, Inc.  
1115 E. Morehead Street  
Suite 200  
Charlotte, NC 28204  
Attn.: Bryan C. Hartnett  
[bhartnett@ahidevelopment.com](mailto:bhartnett@ahidevelopment.com)

With a copy to:           Vorys, Sater, Seymour and Pease LLP  
301 East Fourth Street, Suite 3500  
Great American Tower  
Cincinnati, Ohio 45202  
Attn: Kristin L. Woeste, Esq.  
E-Mail: [klwoeste@vorys.com](mailto:klwoeste@vorys.com)

With a copy to:           Stearns Weaver Miller  
Weissler Alhadeff & Sitterson, PA  
150 W. Flagler Street, Suite 2200  
Miami, FL 33130  
Attn.: Brooke R. Perlyn, Esq.  
[bperlyn@stearnsweaver.com](mailto:bperlyn@stearnsweaver.com)

With a copy to:           RAH Investor 461 LLC  
c/o Regions Affordable Housing  
111 Great Neck Road, Suite 500  
Great Neck, New York 11021

With a copy to:           Kutak Rock LLP  
1650 Farnam Street  
Omaha, NE 68102  
Attn: Jill Goldstein, Esq.



**Seller:** **MCCURDY CENTER, LTD.**  
5324 Star Rush Lane  
Lake Worth, Florida 33467  
Attn: Joseph Glucksman  
Email: [joe.glucksmanqw@gmail.com](mailto:joe.glucksmanqw@gmail.com)

With a copy to: Stearns Weaver Miller Weissler  
Alhadeff and Sitterson, P.A.  
150 West Flagler Street  
Suite 2200  
Miami, FL 33130  
Attn: Brooke R. Perlyn, Esq.  
Email: [bperlyn@stearnsweaver.com](mailto:bperlyn@stearnsweaver.com)

**County:** Palm Beach County  
Department of Housing & Economic Development  
100 Australian Avenue, Suite 500  
West Palm Beach, FL 33406  
Attn: Jonathan Brown, Director

With a copy to: Palm Beach County Attorney's Office  
301 North Olive Avenue, Suite 601  
West Palm Beach, FL 33401  
Attn: Howard J. Falcon, III, Chief Assistant County Attorney

**Section 12. Miscellaneous.** This Agreement shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. The exclusive venue for any lawsuit arising from, related to, or in connection with this Agreement shall be in the state courts in Palm Beach County, Florida. If any claim arising from, related to, or in connection with this Agreement must be litigated in federal court, the exclusive venue for any such lawsuit shall be in the United States District Court of the Southern District of Florida. **BY ENTERING INTO THIS AGREEMENT, EACH PARTY HEREBY EXPRESSLY WAIVES ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS AGREEMENT. IF A PARTY FAILS TO WITHDRAW A REQUEST FOR A JURY TRIAL IN A LAWSUIT ARISING OUT OF THIS AGREEMENT AFTER WRITTEN NOTICE BY THE OTHER PARTY OF VIOLATION OF THIS SECTION 12, THE PARTY MAKING THE REQUEST FOR JURY TRIAL SHALL BE LIABLE FOR THE REASONABLE ATTORNEYS' FEES AND COSTS OF THE OTHER PARTY IN CONTESTING THE REQUEST FOR JURY TRIAL, AND SUCH AMOUNTS SHALL BE AWARDED BY THE COURT IN ADJUDICATING THE MOTION.**

**Section 13. Successors and Assigns.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

**Section 14. Counterparts.** This Agreement may be executed in counterparts, and all counterparts together shall be construed as one document.

**Section 15. Severability.** If any covenant, condition, term, or provision contained in this Agreement is held to be invalid by final judgment of any court of competent jurisdiction, the invalidity of such covenant, condition, term, or provision shall not in any way affect any other covenant, condition, term, or provision contained in this Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGES]



IN WITNESS WHEREOF, the County, the Purchaser, and the Seller have executed this Agreement as of the date first set forth above.

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

FOR ITS BOARD OF COUNTY  
COMMISSIONERS

By: Jonathan Brown  
Jonathan Brown, Director  
Dept. of Housing & Economic Development  
Address: 100 Australian Ave  
W Palm Beach FL 33406

Date: March 31, 2025

Approved as to Form and Legal Sufficiency:

Approved as to Terms and Conditions  
Department of Housing and Economic  
Development

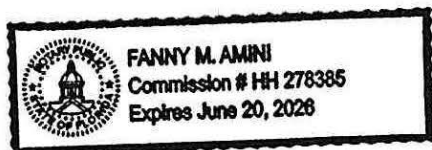
By: Howard J. Falcon III  
Howard J. Falcon III  
Chief Assistant County Attorney

By: Sherry Howard  
Sherry Howard, Deputy Director

STATE OF FLORIDA                    )  
  )  
COUNTY OF PALM BEACH        )       ss.:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 31 day of March, 2025, by Jonathan Brown, as Director of the Department of Housing and Economic Development of PALM BEACH COUNTY, a political subdivision of the State of Florida, who is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]



Fanny M. Amini  
(Name typed, printed or stamped)  
(Title or rank)  
(Serial number, if any)

**WITNESSES:**

Maria A. Antounise Abicain  
Witness  
Maria Antounise Abicain  
Printed Name of Witness

Address: 224 NW 12TH Drive  
Belle Glade FL 33430

Maria Naveda  
Witness  
Maria Naveda  
Printed Name of Witness

Address: 306 SW 10TH ST Apt B-115  
Belle Glade, FL 33430

STATE OF Florida )  
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 26 day of March, 2025, by Joseph Glucksman, as President of McCurdy Senior Housing Corporation, a Florida not for profit corporation, the managing member of McCurdy Senior Housing, LLC, a Florida limited liability company, the general partner of MCCURDY CENTER, LTD. a Florida limited partnership, on behalf of the companies, who is personally known to me or has produced Driver License as identification.

[Notary Seal]



Patty Wooten  
(Name typed, printed or stamped)  
(Title or rank)  
(Serial number, if any)

Quiet Waters - County Loan Assumption and Global Modification

**SELLER:**

**MCCURDY CENTER, LTD.** a Florida limited partnership

**By: McCurdy Senior Housing, LLC**, a Florida limited liability company, its general partner

**By: McCurdy Senior Housing Corporation**, a Florida not for profit corporation, its managing member

By: Joseph Glucksman  
Name: Joseph Glucksman  
Title: President  
Address: 5324 Star Rush Lane  
Lake Worth, FL 33467

**WITNESSES:**

[Signature]  
Witness  
Khamla Sphabrixay  
Printed Name of Witness

Address: 2820 Selwyn Ave  
Charlotte, NC 28209

[Signature]  
Witness  
Ashley McCL  
Printed Name of Witness

Address: 2820 Selwyn Ave  
Ch. NC 28209

**PURCHASER:**

**QUIET WATERS PRESERVATION, LP,**  
a Florida limited partnership

By: Affordable Housing Institute, Inc.,  
a Florida not for profit corporation,  
its general partner

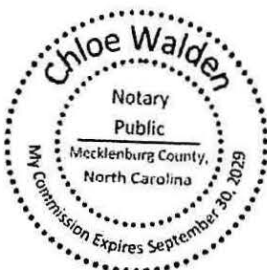
By: [Signature]  
Name: Bryan C. Hartnett  
Title: President

Address: 1115 E. Morehead Street  
Suite 200  
Charlotte, NC 28204

STATE OF NORTH CAROLINA )  
COUNTY OF MECKLENBURG ) ss.:

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 26<sup>th</sup> day of MARCH, 2025, by Bryan C. Hartnett, as President of Affordable Housing Institute, Inc., a Florida not for profit corporation, the general partner of QUIET WATERS PRESERVATION, LP, a Florida limited partnership, on behalf of the companies, who is personally known to me or has produced DRIVERS LICENSE as identification.

[Notary Seal]



[Signature]  
(Name typed, printed or stamped) Chloe Walden  
(Title or rank) NC Notary  
(Serial number, if any) 202427700 232

Quiet Waters - Assumption and Global Modification of County Loan

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

All of the Plat of BELLE GLADE ALF, according to the Plat thereof, as recorded in Plat Book 111, Page 47, of the Public Records of Palm Beach, Florida.

Formerly known as:

A composite of four parcels of land in State Lot 28, Section 31, Township, 43 South, Range 37 East, City of Belle Glade, Palm Beach County, Florida, described as follows:

Commencing at a point on the East line of said Lot 28, said point being the centerline intersection at Southwest Avenue C Place and Southwest 10th Street in the City of Belle Glade; thence North  $0^{\circ} 07' 10''$  West, 85.64 feet along the East line of said Lot 28; thence South  $88^{\circ} 56' 00''$  West 25.00 feet to the Point of Beginning of the hereinafter described composite parcel; thence South  $0^{\circ} 07' 10''$  East 83.98 feet along a line 25.00 feet West of and parallel with the East line of said State Lot 28; thence South  $89^{\circ} 57' 21''$  West 166.02 feet; thence South  $0^{\circ} 01' 14''$  West 211.57 feet; thence North  $89^{\circ} 57' 21''$  East 166.54 feet; thence South  $0^{\circ} 07' 10''$  East 184.63 feet to a point on a line 45 feet North of, measured at right angles to the South line of Section 31, Township 43 South, Range 37 East, said line being the same as the centerline of Southwest Avenue E, now known as Dr. Martin Luther King Jr. Boulevard; thence North  $89^{\circ} 59' 44''$  West 417.12 feet along said line parallel with and 45 feet North of the South line of Section 31, Township 43 South, Range 37 East; thence North  $0^{\circ} 09' 59''$  West 290.47 feet along a line parallel with the West line of State Lot 28; thence South  $88^{\circ} 56' 00''$  West 35.02 feet; thence North  $0^{\circ} 09' 59''$  West 81.12 feet along a line parallel with the West line of State Lot 28; thence South  $88^{\circ} 56' 00''$  West 157.00 feet to a line parallel with and 25 feet East of the West line of said State Lot 28; thence North  $0^{\circ} 09' 59''$  West 271.19 feet along said line parallel with and 25 feet East of the West line of State Lot 28; thence South  $89^{\circ} 59' 44''$  East 609.64 feet to a line 25 feet West of measured at right angles to the East line of State Lot 28; thence South  $0^{\circ} 07' 10''$  East 159.02 feet along said line parallel with and 25 feet West of the East line of State Lot 28, to the Point of Beginning.

LESS the additional right-of-way for SW. Avenue E as recorded in Official Records Book 268, Page 420 of the aforesaid public records.

**EXHIBIT "B"**

**COUNTY LOAN DOCUMENTS**

1. Loan Agreement by and between the County and Seller dated as of January 13, 2009;
2. Amended and Restated Promissory Note by Seller in favor of the County in the original principal amount of \$600,000.00 dated as of February 5, 2009, as affected by the Allonge to Amended and Restated Promissory Note by Seller in favor of the County dated March 21, 2025;
3. Mortgage and Security Agreement by Seller in favor of the County, dated February 5, 2009, and recorded February 6, 2009, in Official Records Book 23068, Page 1053, of the Public Records of Palm Beach County, Florida;

And such other documents executed in connection with the County Loan.

## SCHEDULE A

### MODIFICATION TO LOAN DOCUMENTS

1. All references to “Maker”, “Borrower”, “Developer”, or “Mortgagor” under the County Loan Documents, shall now refer to QUIET WATERS PRESERVATION LP, a Florida limited partnership, acting through its general Partner, Affordable Housing Institute, Inc., a Florida not for profit corporation.
2. All notices to “Maker”, “Borrower”, “Developer”, or “Mortgagor” under the County Loan Documents, shall now be sent to:

QUIET WATERS PRESERVATION, LP  
100 Wells Avenue  
Newton, MA 02459  
Attention: John Tatum  
E-Mail: [jtatum@wingatecompanies.com](mailto:jtatum@wingatecompanies.com)

With a copy to: Vorys, Sater, Seymour and Pease LLP  
301 East Fourth Street, Suite 3500  
Great American Tower  
Cincinnati, Ohio 45202  
Attn: Kristin L. Woeste, Esq.  
E-Mail: [klwoeste@vorys.com](mailto:klwoeste@vorys.com)

With a copy to: Affordable Housing Institute, Inc.  
1115 E. Morehead Street  
Suite 200  
Charlotte, NC 28204  
Attn.: Bryan C. Hartnett  
[bhartnett@ahidevelopment.com](mailto:bhartnett@ahidevelopment.com)

With a copy to: Stearns Weaver Miller  
Weissler Alhadeff & Sitterson, PA  
150 W. Flagler Street, Suite 2200  
Miami, FL 33130  
Attn.: Brooke R. Perlyn, Esq.  
[bperlyn@stearnsweaver.com](mailto:bperlyn@stearnsweaver.com)

With a copy to: RAH Investor 461 LLC  
c/o Regions Affordable Housing  
111 Great Neck Road, Suite 500  
Great Neck, New York 11021

With a copy to: Kutak Rock LLP  
1650 Farnam Street

Omaha, NE 68102  
Attn: Jill Goldstein, Esq.

3. Those certain modifications to the County Note set forth in the Allonge to Amended and Restated Promissory Note dated March 21, 2025, including the extension of the Maturity Date to "December 31, 2047."
4. Those certain modifications to the County Note set forth in the Allonge to Amended and Restated Promissory Note dated March 31, 2025.
5. All references to the "First Mortgage" shall be deleted in their entirety and shall be replaced with reference to the following mortgages (collectively, the "Senior Mortgages"): (i) that certain Multifamily Mortgage, Assignment of Rents, and Security Agreement in favor of the Housing Finance Authority of Palm Beach County, Florida ("Governmental Lender"), as assigned to U.S. Bank Trust Company, National Association, a national banking association ("Fiscal Agent"), pursuant to that certain Assignment of Security Instrument dated March 31, 2025; and (ii) that certain Mortgage and Security Agreement dated June 11, 2008, as amended and assigned, in favor of Florida Housing Finance Corporation ("FHFC"). All references to the "First Mortgagee" shall be deleted in their entirety and shall be replaced with reference to the following senior lenders (collectively, the "Senior Lenders"): Governmental Lender, Fiscal Agent, Funding Lender, Freddie Mac, and FHFC. All references to the "Senior Note" shall be deleted in their entirety and shall be replaced with reference to the following senior notes (collectively, the "Senior Notes"): (i) a Project Note – Fixed Rate – TEL (Immediate) dated as of March 31, 2025, in the original principal amount of \$9,369,000.00 issued by Maker and payable to Governmental Lender; and (ii) an Amended and Restated Promissory Note dated as of March 31, 2025, in the principal amount of \$1,312,500.00 issued by Maker and payable to FHFC. All references to the "Subordination Agreement" shall be deleted in their entirety and shall be replaced with reference to the following subordination agreements (the "Subordination Agreements"): (i) that certain Subordination Agreement dated March 31, 2025, by and between Borrower, the County, and Fiscal Agent, and (ii) that certain Subordination Agreement dated March 31, 2025, by and between Borrower, the County, and FHFC.
6. The following language is hereby added as Section 8(g) of the Loan Agreement:

(g) Borrower shall not increase rents for tenants of the Development at any time other than at lease renewal in accordance with the restrictions provided herein.
7. Section 10(j) of the Loan Agreement is hereby amended to add the following language:

Notwithstanding the foregoing, a transfer of interest in Borrower as provided in Section 9.02 of Borrower's Amended and Restated Limited Partnership Agreement shall be permitted hereunder.
8. Section 5.2 of the Mortgage is deleted in its entirety and replaced with the following:



Mortgagee has approved the Senior Mortgages provided they do not exceed the amounts set forth therein and further has agreed to subordinate the Loan Agreement, this Mortgage, the Note, and all other Loan Documents to such Senior Mortgages, pursuant to the terms of (i) that certain Subordination Agreement dated as of March 31, 2025, by and among Mortgagor, Mortgagee, and U.S. Bank Trust Company, National Association, a national banking association; and (ii) that certain Subordination Agreement dated as of March 31, 2025, by and among Mortgagor, Mortgagee, and Florida Housing Finance Corporation. The Chairperson of the Board of County Commissioners of Palm Beach County and the Clerk of the Court for Palm Beach County, are hereby authorized to execute subordination agreements required herein without further approval of the Board of County Commissions of Palm Beach County, Florida, provided such documents are in a form acceptable to the County Attorney. Nothing contained herein shall, however, relieve the Borrower from its obligation to make payments under the Promissory Note in accordance with its terms.

9. A new Section 18 is hereby added to the Loan Agreement as follows:

18. Investor Provisions.

(a) **General Partner or Class B Limited Partner Change.** The withdrawal, removal, transfer and/or replacement of the general partner or class b limited partner of Borrower pursuant to the terms of the Amended and Restated Agreement of Limited Partnership of Borrower ("Borrower's Partnership Agreement") shall not constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan; provided that Borrower agrees to notify the County of any proposed replacement general partner prior to replacement, and, upon replacement, shall notify the County of the name and contact information of the replacement general partner with reasonable promptness.

(b) **Notice and Cure Rights.** The County agrees to give RAH Investor 461 LLC, a Mississippi limited liability company (the "Limited Partner") written notice of any and all defaults by the Borrower under the Loan Documents, and an opportunity, at the Limited Partner's option, to cause the cure of such default within the cure periods set forth below, prior to exercising any remedies under the Loan Documents. The County agrees that the Limited Partner will have ten (10) days after the Limited Partner's receipt of notice of such default to cure, or cause the cure of a monetary default under the Loan Documents, and thirty (30) days (or such longer period as is set forth in the Loan Documents) after the Limited Partner's receipt of such notice to cure any non-monetary defaults under the Loan Documents, or, as to non-monetary defaults, such longer period as is reasonably necessary for the Limited Partner to cause cure, provided that cure is commenced within the above cure period and diligently prosecuted, including, without limitation, such time period as is necessary to remove Borrower's general partner, if necessary in order to effect a cure. The County agrees to accept cure by the Limited Partner as if such cure were made by Borrower.

(c) **Partial Subordination to Section 42 Extended Use Commitment.** Notwithstanding anything herein to the contrary, if the County takes title to the Project through foreclosure or deed of lieu of foreclosure, the Property shall remain subject to the provisions of

Section 42(h)(6)(E)(ii) of the Internal Revenue Code or any similar successor provision of the Code. This section shall apply notwithstanding the order of recording of any of the Loan Documents and the Extended Use Commitment, executed in connection with the allocation of federal low income housing tax credits to the Borrower for the Project pursuant to Section 42 of such Code.

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

ABOVE SPACE RESERVED FOR  
RECORDING PURPOSES ONLY

## **SUBORDINATION AGREEMENT**

**(Quiet Waters f/k/a McCurdy Center / SAIL 2005-106CS)**

**THIS SUBORDINATION AGREEMENT** (this "**Agreement**") is made and entered into as of March 31, 2025, by and among (i) FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida ("**Senior Lender**"), (ii) PALM BEACH COUNTY, a political subdivision of the State of Florida (the "**Subordinate Lender**") (which term as used in every instance shall include Subordinate Lender's successors and assigns), and (iii) QUIET WATERS PRESERVATION, LP, a Florida limited partnership ("**Borrower**").

## **RECITALS**

A. Senior Lender has issued a loan to McCurdy Center, Ltd., a Florida limited partnership (the "Original Borrower"), under the State Apartment Incentive Loan ("SAIL") Program, Section 420.5087, Fla. Stat., and governed by the rules of Florida Housing Finance Corporation, as codified at Chapter 67-48, Fla. Admin. Code, in effect as of February 7, 2005, in the original principal amount of ONE MILLION SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,750,000.00) (the "**Senior Loan**"). The Senior Loan has been secured by a Mortgage and Security Agreement made by Original Borrower to and in favor of Senior Lender, recorded June 16, 2008, in Official Records Book 22702, Page 1504, as affected by that certain Assignment, Assumption and Affirmation Agreement recorded February 24, 2014, in Official Records Book 26628, Page 596 (the "GP Assumption Agreement"), as further affected by that certain First Assignment and Assumption Agreement dated as of March 31, 2025, by and among Senior Lender, Original Borrower, and the Borrower (the "Assumption Agreement"), and as further affected by that certain First Global Modification and Amendment to Florida Housing Finance Corporation SAIL Mortgage and Loan Documents dated as of March 31, 2025, by and among Borrower, Florida Housing and Seltzer Management Group, Inc., a Florida corporation (the "Senior Loan Servicer") (the "Global Modification"), all in or to be recorded in the Public Records of Palm Beach County, Florida, as may be further amended from time to time (the "**Senior Security Instrument**") on a multifamily rental housing development located on certain real property in Palm Beach County, Florida, known as Quiet Waters (the "**Property**"). The Property

is more fully described in Exhibit "A" attached hereto. The Borrower's obligation to repay the Senior Loan is evidenced by a Promissory Note dated June 11, 2008, made by the Original Borrower, in favor of Senior Lender, in the original principal amount of \$1,750,000.00, as affected by the GP Assumption Agreement, as further affected by that certain Allonge to Promissory Note, effective as of March 20, 2025, by Original Borrower to and for the benefit of Senior Lender, as further affected by the Assumption Agreement, as amended and restated by that certain Amended and Restated Promissory Note dated March 31, 2025, made by Borrower in favor of Senior Lender, in the principal amount of \$1,312,500.00, and as further affected by the Global Modification, all in or to be recorded in the Public Records of Palm Beach County, Florida, as may be further amended from time to time (the "**Senior Note**").

B. The Borrower has requested that Senior Lender permit the Subordinate Lender to maintain a subordinate loan made to Original Borrower (and assumed by Borrower on the date hereof pursuant to the Subordinate Loan Assumption Agreement (as hereinafter defined)) in the original principal amount of SIX HUNDERD THOUSAND AND NO/100 DOLLARS (\$600,000.00) (the "**Subordinate Loan**"), secured by a subordinate mortgage lien against the Property pursuant to the Subordinate Security Instrument (as hereinafter defined).

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

NOW, THEREFORE, in order to induce the Senior Lender to permit the Subordinate Lender to maintain the Subordinate Loan assumed by the Borrower and to maintain a subordinate mortgage lien against the Property, and in consideration thereof, the Senior Lender, the Subordinate Lender and the Borrower agree as follows:

## **1. Definitions.**

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

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

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

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

**"Default Notice"** means: (a) a copy of the written notice from the Senior Lender to the Borrower stating that a Senior Loan Default has occurred under the Senior Loan; or (b) a copy of the written notice from the Subordinate Lender to the Borrower stating that a Subordinate Loan Default has occurred under the Subordinate Loan. Each Default Notice shall specify the default upon which such Default Notice is based.

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

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

**"Senior Loan Agreement"** means the Construction Loan Agreement by and among the Borrower, the Senior Lender and the Senior Loan Servicer, as affected by the GP Assumption Agreement, as further affected by the Assumption Agreement, and as further affected by the Global Modification, governing the loaning of the proceeds of the Senior Loan to the Borrower.

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

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

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

**"Subordinate Loan Agreement"** means the Loan Agreement dated as of January 13, 2009, by and between the Original Borrower and the Subordinate Lender, as affected by that certain Assumption and Global Modification of Loan Agreement, Mortgage and Security Agreement, Promissory Note, and Other Loan Documents, dated as of March 31, 2025, by and among Original Borrower, Borrower and Subordinate Lender, to be recorded in the Public Records of Palm Beach County (the "Subordinate Loan Assumption Agreement"), Florida, governing the loaning of the proceeds of the Subordinate Loan to the Borrower.

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



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

**"Subordinate Note"** means the Amended and Restated Promissory Note, dated February 5, 2009, made by the Borrower to the Subordinate Lender, or order, to evidence the Subordinate Loan, as affected by the Subordinate Loan Assumption Agreement.

**"Subordinate Security Instrument"** means the Mortgage and Security Agreement by Borrower in favor of the Subordinate Lender, dated February 5, 2009, and recorded February 6, 2009, in Official Records Book 23068, Page 1053, of the Public Records of Palm Beach County, Florida, encumbering the Property as security for the Subordinate Loan, as affected by the Subordinate Loan Assumption Agreement.

## **2. Permission to Place Mortgage Liens Against Property.**

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

## **3. Borrower and Subordinate Lender Representations and Warranties.**

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

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

(1) **Subordinate Note.** The Subordinate Note shall be deemed to contain the following provision:

"The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by Amended and Restated Promissory Note, dated March 31, 2025, in the principal amount of \$1,312,500.00, executed by Maker and payable to Florida Housing Finance Corporation (the "Senior Lender"), as their respective interests may

appear, or order, as affected by that certain First Global Modification and Amendment to Florida Housing Finance Corporation SAIL Mortgage and Loan Documents dated as of March 31, 2025, by and among Borrower, Florida Housing and Seltzer Management Group, Inc., a Florida corporation (the "Global Modification"), in or to be recorded in the Public Records of Palm Beach County, Florida, as may be further amended from time to time, to the extent and in the manner provided in that certain Subordination Agreement dated as of March 31, 2025, among the Holder, the Senior Lender and the Maker (the "Subordination Agreement"). The Mortgage and Security Agreement, as affected by that certain Assumption and Global Modification of Loan Agreement, Mortgage and Security Agreement, Promissory Note, and Other Loan Documents, dated as of March 31, 2025, by and among McCurdy Center, Ltd., a Florida limited partnership, Quiet Waters Preservation, LP, a Florida limited partnership, and Holder, to be recorded in the Public Records of Palm Beach County (collectively, the "Subordinate Mortgage"), securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Mortgage and Security Agreement (as amended, assigned and assumed) securing the Senior Note, as more fully set forth in the Subordination Agreement. The rights and remedies of Lender and each subsequent holder of this Note under the Subordinate Mortgage securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the "Subordinate Lender" under the Subordination Agreement."

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

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

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

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

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

(1) **Subordinate Note.** The Subordinate Note shall be deemed to contain the following provision:



“The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by Amended and Restated Promissory Note, dated March 31, 2025, in the principal amount of \$1,312,500.00, executed by Maker and payable to Florida Housing Finance Corporation (the “Senior Lender”), as their respective interests may appear, or order, as affected by that certain First Global Modification and Amendment to Florida Housing Finance Corporation SAIL Mortgage and Loan Documents dated as of March 31, 2025, by and among Borrower, Florida Housing and Seltzer Management Group, Inc., a Florida corporation (the “Global Modification”), in or to be recorded in the Public Records of Palm Beach County, Florida, as may be further amended from time to time, to the extent and in the manner provided in that certain Subordination Agreement dated as of March 31, 2025, among the Holder, the Senior Lender and the Maker (the “Subordination Agreement”). The Mortgage and Security Agreement, as affected by that certain Assumption and Global Modification of Loan Agreement, Mortgage and Security Agreement, Promissory Note, and Other Loan Documents, dated as of March 31, 2025, by and among McCurdy Center, Ltd., a Florida limited partnership, Quiet Waters Preservation, LP, a Florida limited partnership, and Holder, to be recorded in the Public Records of Palm Beach County (collectively, the “Subordinate Mortgage”), securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Mortgage and Security Agreement (as amended, assigned and assumed) securing the Senior Note, as more fully set forth in the Subordination Agreement. The rights and remedies of Lender and each subsequent holder of this Note under the Subordinate Mortgage securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the “Subordinate Lender” under the Subordination Agreement.”

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

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

#### **4. Terms of Subordination.**

(a) **Agreement to Subordinate.** The Senior Lender and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement to the prior payment in full of the indebtedness evidenced by the Senior Loan Documents, and (ii) the Subordinate Security Instrument and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument and the other Senior Loan Documents and to all advances heretofore made or

which may hereafter be made pursuant to the Senior Security Instrument and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Security Instrument, curing defaults by the Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Security Instrument, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property). The priorities of the security interests established above are and shall remain applicable irrespective of the time or order of attachment or perfection thereof, the method of perfection, the time or order of the filing or recordation of any instruments, or the giving of or failure to give notice of the acquisition or expected acquisition of purchase money or other mortgage or security interests.

**(b) Subordination of Subrogation Rights.** The Subordinate Lender agrees that if, by reason of the advance payment by Subordinate Lender of real estate taxes, casualty insurance premiums or other monetary obligations of the Borrower to protect the Property, the Subordinate Lender, by reason of such advance payment or of its exercise of any other right or remedy under the Subordinate Loan Documents, acquires by right of subrogation or otherwise a lien on the Property which would (but for this subsection) be senior to the lien of the Senior Security Instrument, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Security Instrument, only to the extent of the amount advanced, provided that Subordinate Lender gives Senior Lender at least five (5) Business Days' prior written notice of its intent to advance sums for real property taxes and/or casualty insurance.

**(c) Payments Before Senior Loan Default.** Until the Subordinate Lender receives a Default Notice of a Senior Loan Default from the Senior Lender, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents, except for payments made by reason of acceleration or made more than one (1) month before such scheduled payment(s) were due and payable under the Subordinate Note.

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

Subordinate Lender's receipt of a new Default Notice from the Senior Lender in accordance with the provisions of this Section 4(d).

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

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

**(g) Consent to Bankruptcy Relief.** Subordinate Lender agrees that in the event a bankruptcy petition is filed under any chapter of the United States Bankruptcy Code (the "Bankruptcy Code") by or against Borrower, Senior Lender shall be entitled to the following relief:

(i) Senior Lender is and shall be entitled to relief from the automatic stay pursuant to 11 U.S.C. Sec. 362(d) to pursue all of its rights and remedies under the Senior Loan Documents and this Agreement and relevant state law.

(ii) Subordinate Lender shall consent to relief from the automatic stay to permit Senior Lender to pursue all of its rights and remedies under the Senior Loan Documents and this Agreement and relevant state law.

(iii) Senior Lender shall receive all of the payments to which it is entitled under the Senior Loan Documents, this Agreement and relevant state law and any adequate protection payments to which Senior Lender is and shall be entitled under 11 U.S.C. Sec. 363 and Senior Lender shall receive all such payments and payment of its claim in full (including interest, costs and reasonable attorneys' fees) before Subordinate Lender receives any payments on account of its claim.

(iv) Subordinate Lender's claim as to its mortgage lien on the Property shall be subordinate to Senior Lender's claim in any bankruptcy distribution and Senior Lender shall be



entitled to payment in full of its claim (including interest, costs and reasonable attorneys' fees) before Subordinate Lender receives any distribution on account of its claim.

(v) In the event the claims of Subordinate Lender and Senior Lender are assigned the same class in any plan of reorganization under Chapter 11 of the Bankruptcy Code, Subordinate Lender hereby assigns to Senior Lender its right to vote on the plan and to make the election under Section 1111(b) of the Bankruptcy Code.

(vi) Subordinate Lender hereby waives any right it may have to object to the claim of Senior Lender in any bankruptcy proceeding, so long as (i) each such claim does not violate the terms of the Senior Loan Documents and/or this Agreement, and (ii) such waiver does not violate the laws of the State of Florida.

In the event any part of this section is found by a court of competent jurisdiction to be in violation of any applicable law, and if such court should declare such provision to be unlawful, void, illegal or unenforceable in any respect, the remainder of this section shall be construed as if such provision were not contained therein and shall remain in full force and effect.

## **5. Default Under Subordinate Loan Documents.**

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

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

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

## **6. Default Under Senior Loan Documents.**

(a) **Notice of Default and Cure Rights.** The Senior Lender shall deliver to the Subordinate Lender a Default Notice within five (5) Business Days in each case where the Senior Lender has given a Default Notice to the Borrower. Failure of the Senior Lender to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default within 60 days following the date of such notice; provided, however, that the Senior Lender shall be entitled during such 60-day period to continue to pursue its remedies under the Senior Loan Documents. Subordinate Lender may have up to 90 days from the date of the Default Notice to cure a non-monetary default if during such 90-day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or Senior Lender's secured position relative to the Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such 90-day period all available rights and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Security Instrument.

(b) **Cross Default.** The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the Senior Lender has accelerated the maturity of the Senior Loan, or (ii) the Senior Lender has taken affirmative action to exercise its rights under the Senior Security Instrument to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Security Instrument. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement,

including without limitation, the restrictions and limitations set forth in Section 5(b) herein. If at any time the Borrower cures any Senior Loan Default to the satisfaction of the Senior Lender, as evidenced by written notice from the Senior Lender to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

#### **7. Conflict.**

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

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

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

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

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



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

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

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

## **9. Modification or Refinancing of Senior Loan.**

In an Event of Default or threatened, imminent default, under the Senior Loan Documents, the Subordinate Lender consents to any agreement or arrangement in which the Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money, without the prior approval of Subordinate Lender. Subordinate Lender further agrees that its agreement to subordinate hereunder shall not extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing) that has not been previously approved by Subordinate Lender; and that all, after

approval, the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and that all references to the Senior Loan, the Senior Note, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the refinance loan, the refinance note, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note.

#### **10. Default by the Subordinate Lender or Senior Lender.**

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

#### **11. Notices.**

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the Senior Lender or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two (2) days after mailing in the United States), addressed to the respective parties as follows:

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

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

**Subordinate  
Lender:**

Palm Beach County  
100 Australian Avenue, 5<sup>th</sup> Floor  
West Palm Beach, Florida 33406  
Attention: Jeffrey S. Bolton  
Phone: (561) 233-3652  
Email: [JSBolton@pbcgov.org](mailto:JSBolton@pbcgov.org)

with a copy to:

Greenspoon Marder LLP  
525 Okeechobee Boulevard, Suite 900  
West Palm Beach, Florida 33401  
Attention: Skip Miller, Esq.  
Telephone: (561) 838-4556  
Email: [skip.miller@gmlaw.com](mailto:skip.miller@gmlaw.com)

**Borrower:**

Quiet Waters Preservation, LP  
100 Wells Avenue  
Newton, Massachusetts 02459  
Attention : John Tatum  
Email: [jtatum@wingatecompanies.com](mailto:jtatum@wingatecompanies.com)

with a copy to:

Affordable Housing Institute, Inc.  
1115 E. Morehead Street  
Suite 200  
Charlotte, North Carolina 28204  
Attention: Bryan C. Hartnett  
Email: [bhartnett@ahidevelopment.com](mailto:bhartnett@ahidevelopment.com)

with a copy to:

Stearns Weaver Miller  
Weissler Alhadeff & Sitterson, PA  
150 W. Flagler Street, Suite 2200  
Miami, Florida 33130  
Attention: Brooke R. Perlyn, Esq.  
Email: [bperlyn@stearnsweaver.com](mailto:bperlyn@stearnsweaver.com)

with a copy to:

Vorys, Sater, Seymoure and Pease LLP  
301 East Fourth Street, Suite 3500  
Great American Tower  
Cincinnati, Ohio 45202  
Attention: Kristin L. Woeste, Esq.  
Email: [klwoeste@vorys.com](mailto:klwoeste@vorys.com)

and a copy to

**Borrower's Investor**

**Member:** RAH Investor 461 LLC  
c/o Regions Affordable Housing  
111 Great Neck Road, Suite 500  
Great Neck, New York 11021

with a copy to: Kutak Rock LLP  
1650 Farnam Street  
Omaha, NE 68102  
Attention: Jill Goldstein, Esq.

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

**12. General.**

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

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

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

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

**(e) Estoppels.** Subordinate Lender hereby acknowledges and agrees that, upon ten (10) days' prior written notice, Subordinate Lender shall confirm to Senior Lender the principal balance, interest rate and other terms of the Subordinate Loan Documents (including whether any defaults exist under the Subordinate Loan Documents). Senior Lender hereby acknowledges and agrees that, upon ten (10) days' prior written notice, Senior Lender shall confirm to Subordinate

Lender the principal balance, interest rate and other terms of the Senior Loan Documents (including whether any defaults exist under the Senior Loan Documents).

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

(g) **Governing Law.** This Agreement shall be governed by the laws of the State in which the Property is located.

(h) **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.

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

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

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE TO  
SUBORDINATION AGREEMENT**

**(Quiet Waters f/k/a McCurdy Center / SAIL 2005-106CS)**

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

**WITNESSES:**

**FLORIDA HOUSING:**

Witness: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Address: 227 N. Bronough St., Ste 5000  
Tallahassee, FL 32301  
*(Business Address)*

FLORIDA HOUSING FINANCE  
CORPORATION

Witness: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Address: 227 N. Bronough St., Ste 5000  
Tallahassee, FL 32301  
*(Business Address)*

By: \_\_\_\_\_  
Melissa Levy  
Managing Director of Multifamily Programs

Address: 227 N. Bronough Street, Suite 5000  
Tallahassee, Florida 32301-1329

[SEAL]

STATE OF FLORIDA  
COUNTY OF LEON

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by MELISSA LEVY, as Managing Director of Multifamily Programs of the FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of Florida Housing. Said person is personally known to me or has produced a valid driver's license as identification.

[Notary Seal]

\_\_\_\_\_  
Signature of person taking acknowledgment  
Name (typed, printed or stamped): \_\_\_\_\_  
Title or Rank: \_\_\_\_\_  
Serial number (if any): \_\_\_\_\_



**COUNTERPART SIGNATURE PAGE TO  
SUBORDINATION AGREEMENT**

(Quiet Waters f/k/a McCurdy Center / SAIL 2005-106CS)

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

WITNESSES:

**PALM BEACH COUNTY**, a political subdivision  
of the state of Florida.

Witness:

Printed Name:

Address:

Carmen Cepeda  
Carmen Cepeda  
100 Australian Ave  
WPB, FL 33406

**FOR ITS BOARD OF COUNTY  
COMMISSIONERS**

Witness:

Printed Name:

Address:

Jeffrey S. Bolton  
JEFFREY S. BOLTON  
100 AUSTRALIAN AVE  
WPB, FL 33406

By:

Jonathan Brown  
Jonathan Brown, Director  
Dept. of Housing & Economic Development

Approved as to Form and Legal  
Sufficiency

Approved as to Terms and Conditions

By:

Howard J. Falcon, III  
Howard J. Falcon, III  
Chief Assistant County Attorney

By:

Sherry Howard  
Sherry Howard, Deputy Director  
Dept. of Housing & Economic Development

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 31 day of March, 2025, by JOHNATHAN BROWN, as Director, Department of Housing & Economic Development, of PALM BEACH COUNTY, a political subdivision of the state of Florida, on behalf of the Board of County Commissioners. Said person is (check one) ☒ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]



Fanny M. Amini  
Signature of person taking acknowledgment  
Name (typed, printed or stamped): Fanny M. Amini  
Title or Rank: Contract Per Manager  
Serial number (if any):  
My Commission No.: HH 278385

**COUNTERPART SIGNATURE PAGE TO  
SUBORDINATION AGREEMENT**

(Quiet Waters f/k/a McCurdy Center / SAIL 2005-106CS)

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

**BORROWER:**

**WITNESSES:**

Witness: [Signature]  
Printed Name: Khamla Sphabrixan  
Address: 2820 Selwyn Ave  
Charlotte, NC 28209

Witness: [Signature]  
Printed Name: Ami Patel  
Address: 2820 Selwyn Ave  
Charlotte, NC 28209

**QUIET WATERS PRESERVATION, LP, a**  
Florida limited partnership

By: Affordable Housing Institute, Inc., a  
not for profit corporation, its general partner

By: [Signature]  
Bryan C. Hartnett, President

Address: 100 Wells Avenue  
Newton, MA 02459

STATE OF North Carolina  
COUNTY OF Mecklenburg

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 26th day of March, 2025, by BRYAN C. HARTNETT as President of AFFORDABLE HOUSING INSTITUTE, INC., a Florida not for profit corporation, the General Partner of QUIET WATERS PRESERVATION, LP, a Florida limited partnership, on behalf of the limited partnership and the not for profit corporation. Said person is (check one) ☐ personally known to me or ☒ have produced a valid driver's license as identification.

[Notary Seal]



[Signature]  
Signature of person taking acknowledgment  
Name (typed, printed or stamped): Chloe Walden  
Title or Rank: NC Notary  
Serial number (if any): 202 927 100 232

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**(Quiet Waters f/k/a McCurdy Center)**

ALL OF THE PLAT OF BELLE GLADE ALF, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 111, PAGE 47, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

FORMERLY KNOWN AS:

A COMPOSITE OF FOUR PARCELS OF LAND IN STATE LOT 28, SECTION 31, TOWNSHIP 43 SOUTH, RANGE 37 EAST, CITY OF BELLE GLADE, PALM BEACH COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE EAST LINE OF SAID LOT 28, SAID POINT BEING THE CENTERLINE INTERSECTION AT SOUTHWEST AVENUE C PLACE AND SOUTHWEST 10TH STREET IN THE CITY OF BELLE GLADE; THENCE NORTH 0° 07' 10" WEST 85.64 FEET ALONG THE EAST LINE OF SAID LOT 28; THENCE SOUTH 88° 56' 00" WEST 25.00 FEET TO THE POINT OF BEGINNING OF THE HEREINAFTER DESCRIBED COMPOSITE PARCEL; THENCE SOUTH 0° 07' 10" EAST 83.98 FEET ALONG A LINE 25.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID STATE LOT 28; THENCE SOUTH 89° 57' 21" WEST 166.02 FEET; THENCE SOUTH 0° 01' 14" WEST 211.57 FEET; THENCE NORTH 89° 57' 21" EAST 166.54 FEET; THENCE SOUTH 0° 07' 10" EAST 184.63 FEET TO A POINT ON A LINE 45 FEET NORTH OF, MEASURED AT RIGHT ANGLES TO THE SOUTH LINE OF SECTION 31, TOWNSHIP 43 SOUTH, RANGE 37 EAST, SAID LINE BEING THE SAME AS THE CENTERLINE OF SOUTHWEST AVENUE E, NOW KNOWN AS DR. MARTIN LUTHER KING JR. BOULEVARD; THENCE NORTH 89° 59' 44" WEST 417.12 FEET ALONG SAID LINE PARALLEL WITH AND 45 FEET NORTH OF THE SOUTH LINE OF SECTION 31, TOWNSHIP 43 SOUTH, RANGE 37 EAST; THENCE NORTH 0° 09' 59" WEST 290.47 FEET ALONG A LINE PARALLEL WITH THE WEST LINE OF STATE LOT 28; THENCE SOUTH 88° 56' 00" WEST 35.02 FEET; THENCE NORTH 0° 09' 59" WEST 81.12 FEET ALONG A LINE PARALLEL WITH THE WEST LINE OF STATE LOT 28; THENCE SOUTH 88° 56' 00" WEST 157.00 FEET TO A LINE PARALLEL WITH AND 25 FEET EAST OF THE WEST LINE OF SAID STATE LOT 28; THENCE NORTH 0° 09' 59" WEST 271.19 FEET ALONG SAID LINE PARALLEL WITH AND 25 FEET EAST OF THE WEST LINE OF STATE LOT 28; THENCE SOUTH 89° 59' 44" EAST 609.64 FEET TO A LINE 25 FEET WEST OF MEASURED AT RIGHT ANGLES TO THE EAST LINE OF STATE LOT 28; THENCE SOUTH 0° 07' 10" EAST 159.02 FEET ALONG SAID PARALLEL WITH AND 25 FEET WEST OF THE EAST LINE STATE LOT 28, TO THE POINT OF BEGINNING.

**3/28/2025**

Prepared by, and after recording  
return to:

Charles D. Treece  
Ballard Spahr LLP  
1909 K St., NW 12th Floor  
Washington, DC 20006

**SUBORDINATION AGREEMENT**

**GOVERNMENTAL ENTITY – TEL (Immediate)**

**(Revised 2-25-2025)**

Freddie Mac Loan Number: 510818633

Property Name: Quiet Waters

**SUBORDINATION AGREEMENT  
GOVERNMENTAL ENTITY – TEL (Immediate)**

**(Revised 2-25-2025)**

THIS SUBORDINATION AGREEMENT (“**Agreement**”) is entered into this \_\_\_\_\_ day of March, 2025 by and between (i) U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association (“**Senior Lender**”), and (ii) PALM BEACH COUNTY, a political subdivision of the State of Florida (“**Subordinate Lender**”).

**RECITALS**

- A. Quiet Waters Preservation, LP, a Florida limited partnership (“**Borrower**”), is the owner of certain land located in Palm Beach County, Florida, described in Exhibit A (“**Land**”). The Land is improved with a multifamily rental housing project (“**Improvements**”).
- B. The Housing Finance Authority of Palm Beach County, Florida (“**Governmental Lender**”), the original holder of the Senior Note, has made a loan to Borrower in the original principal amount of \$ \_\_\_\_\_ (“**Senior Loan**”) upon the terms and conditions of a Project Loan Agreement dated as of March 1, 2025 (“**Project Loan Agreement**”) among Governmental Lender, Senior Lender (in its capacity as Fiscal Agent under the Funding Loan Agreement (defined below)) and Borrower in connection with the Mortgaged Property. The Senior Loan is secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement dated the date hereof (“**Senior Mortgage**”) encumbering the Land, the Improvements and related personal and other property described and defined in the Senior Mortgage as the “**Mortgaged Property**.”
- C. Pursuant to a Loan Agreement dated as of January 13, 2009 (“**Subordinate Loan Agreement**”) between Subordinate Lender and McCurdy Center, Ltd., a Florida limited partnership (“**Seller**”) and Borrower’s predecessor-in-interest with respect to the Land and Improvements, Subordinate Lender made a loan to Seller in the original principal amount of \$600,000 (“**Subordinate Loan**”). On the date hereof, the Borrower is assuming the Subordinate Loan from the Seller pursuant to an Assumption and Global Modification of Loan Agreement, Mortgage and Security Agreement, Promissory Note, and Other Loan Documents dated the date hereof (“**Assumption Agreement**”) by and among Seller, Borrower, and Subordinate Lender. The Subordinate Loan is secured by a Mortgage and Security Agreement dated February 5, 2009 (as modified by the Assumption Agreement, the “**Subordinate Mortgage**”) encumbering all or a portion of the Mortgaged Property.
- D. The Senior Mortgage will be recorded in the applicable land records of Palm Beach County, Florida (“**Recording Office**”). The Subordinate Mortgage is recorded in the

Recording Office at Official Records Book 23068 Page 1053, and the Assumption Agreement will be recorded in the Recording Office on or about the date hereof.

- E. The Senior Note was assigned by Governmental Lender to Senior Lender as security for the loan made by Funding Lender (defined below) to Governmental Lender pursuant to the Funding Loan Agreement (the “**Funding Loan**”). The Senior Mortgage was assigned by Governmental Lender to Senior Lender as security for the Funding Loan pursuant to an Assignment of Security Instrument dated as of the date hereof to be recorded in the Recording Office contemporaneously herewith.
- F. The execution and delivery of this Agreement is a condition of Funding Lender’s making the Funding Loan.

### **AGREEMENT**

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

- 1. **Definitions.** The following terms, when used in this Agreement (including, as appropriate, when used in the above recitals), will have the following meanings.

The terms “**Condemnation**,” “**Imposition Reserve Deposits**,” “**Impositions**,” “**Leases**,” “**Rents**” and “**Restoration**,” as well as any term used in this Agreement and not otherwise defined in this Agreement, will have the meanings given to those terms in the Continuing Covenant Agreement.

“**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.

“**Borrower**” means all persons or entities identified as “Borrower” in the first Recital of this Agreement, together with their successors and assigns, and any other person or entity who acquires title to the Mortgaged Property after the date of this Agreement; provided that the term “Borrower” will not include Senior Lender or Funding Lender if Senior Lender or Funding Lender acquires title to the Mortgaged Property.

“**Casualty**” means the occurrence of damage to or loss of all or any portion of the Mortgaged Property by fire or other casualty.

“**Continuing Covenant Agreement**” means the Continuing Covenant Agreement dated the date hereof between Funding Lender and Borrower.



**“Enforcement Action”** means any of the following actions taken by or at the direction of Subordinate Lender: 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 exercise of any other remedial 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.

**“Enforcement Action Notice”** means a Notice given from Subordinate Lender to Senior Lender and Funding Lender, following one or more Subordinate Mortgage Default(s) and the expiration of any applicable notice or cure periods, setting forth in reasonable detail the Subordinate Mortgage Default(s) and the Enforcement Actions proposed to be taken by Subordinate Lender.

**“Funding Lender”** means Berkadia Commercial Mortgage LLC, a Delaware limited liability company, and any successor holder of the Governmental Note.

**“Funding Loan Agreement”** means the Funding Loan Agreement dated as of March 1, 2025 among Funding Lender, Governmental Lender and Senior Lender.

**“Governmental Note”** means the Housing Finance Authority of Palm Beach County, Florida Multifamily Housing Revenue Note, Series 2025 (Quiet Waters) dated the date hereof delivered by the Governmental Lender evidencing the Funding Loan.

**“Lien”** means any lien, encumbrance, estate or other interest, recorded against or secured by the Mortgaged Property.

**“Loss Proceeds”** means all monies received or to be received under any insurance policy, from any condemning authority, or from any other source, as a result of any Condemnation or Casualty.

**“Notice”** means all notices, requests, demands, consents, approvals or other communication pursuant to this Agreement provided in accordance with the provisions of Section 10.

**“Senior Indebtedness”** means the “Indebtedness” as defined in the Continuing Covenant Agreement.

**“Senior Lender”** is defined above. When any other person or entity becomes the legal holder of the Senior Note, such other person or entity will automatically become Senior Lender.

**“Senior Loan Documents”** means the “Financing Documents” as defined in the Continuing Covenant Agreement, as such documents may be amended.

**“Senior Mortgage Default”** means any act, failure to act, event, condition, or occurrence which constitutes, or which with the giving of Notice or the passage of time, or both, would constitute, an “Event of Default” as defined in the Continuing Covenant Agreement.

**“Senior Note”** means the Project Note as defined in the Continuing Covenant Agreement.

**“Subordinate Indebtedness”** means all sums evidenced or secured or guaranteed by, or otherwise due and payable to Subordinate Lender pursuant to, the Subordinate Loan Documents.

**“Subordinate Lender”** means the person or entity named as such in the first paragraph of this Agreement and any other person or entity who becomes the legal holder of the Subordinate Note after the date of this Agreement.

**“Subordinate Loan Documents”** means the Subordinate Mortgage, the Subordinate Note, the Subordinate Loan Agreement, the Assumption Agreement, and all other documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Subordinate Indebtedness, as such documents may be amended.

**“Subordinate Mortgage Default”** means any act, failure to act, event, condition, or occurrence which allows (but for any contrary provision of this Agreement) Subordinate Lender to take an Enforcement Action.

**“Subordinate Note”** means the Amended and Restated Promissory Note dated February 5, 2009 from the Seller to the order of the Subordinate Lender, as modified by the Assumption Agreement and the Allonge to Amended and Restated Promissory Note dated the date hereof by the Borrower to and for the benefit of the Subordinate Lender, and includes any replacement of the Subordinate Note.

**“Surplus Cash”** means, with respect to any period, any revenues of Borrower remaining after paying, or setting aside funds for paying, all the following:

- (a) All sums due or currently required to be paid under the Senior Loan Documents, including any reserves and Imposition Reserve Deposits.
- (b) All reasonable operating expenses of the Mortgaged Property, including real estate taxes, insurance premiums, utilities, building maintenance, painting and repairs, management fees, payroll, administrative expenses, legal expenses and audit expenses (excluding any developer fees payable with respect to the Mortgaged Property).

## **2. Subordinate Lender's Representations and Warranties.**

- (a) Subordinate Lender represents and warrants that each of the following is true as of the date of this Agreement:
  - (i) Subordinate Lender is now the owner and holder of the Subordinate Loan Documents.
  - (ii) No Subordinate Mortgage Default has occurred and is continuing.
  - (iii) The current unpaid principal balance of the Subordinate Indebtedness is \$\_\_\_\_\_.
  - (iv) No scheduled payments under the Subordinate Note have been prepaid.
- (b) Without the prior written consent of Senior Lender, Subordinate Lender will not do any of the following:
  - (i) Pledge, assign, transfer, convey, or sell any interest in the Subordinate Indebtedness or any of the Subordinate Loan Documents.
  - (ii) Take any action which has the effect of increasing the Subordinate Indebtedness, except to cure a Senior Mortgage Default as contemplated under Section 5(a) of this Agreement.
  - (iii) Accept any prepayment of the Subordinate Indebtedness.

## **3. Terms of Subordination.**

- (a) Agreement to Subordinate. The Subordinate Indebtedness is and will at all times continue to be subject and subordinate in right of payment to the prior payment in full of the Senior Indebtedness. Each of the Subordinate Loan Documents is, and will at all times remain, subject and subordinate in all respects to the liens, terms, covenants, conditions, operations, and effects of each of the Senior Loan Documents.
- (b) Subordination of Subrogation Rights. If Subordinate Lender, by indemnification, subrogation or otherwise, acquires any Lien on any of the Mortgaged Property, then that Lien will be fully subject and subordinate to the receipt by Senior Lender of payment in full of the Senior Indebtedness, and to the Senior Loan Documents, to the same extent as the Subordinate Indebtedness and the Subordinate Loan Documents are subordinate pursuant to this Agreement.
- (c) Payments Before Senior Mortgage Default: Soft Subordinate Debt. Until the occurrence of a Senior Mortgage Default, Subordinate Lender will be entitled to retain for its own account all payments of the principal of and interest on the

Subordinate Indebtedness pursuant to the Subordinate Loan Documents; provided that Subordinate Lender expressly agrees that it will not accept any such payment that is made more than 10 days in advance of its due date, and provided further that Subordinate Lender will not accept any payment in an amount that exceeds 75% of then available Surplus Cash.

(d) Payments After Senior Mortgage Default or Bankruptcy.

- (i) Immediately upon Subordinate Lender's receipt of Notice or actual knowledge of a Senior Mortgage Default, Subordinate Lender will not accept any payments of the Subordinate Indebtedness, and the provisions of this Section 3(d) will apply.
- (ii) If Subordinate Lender receives any of the following, whether voluntarily or by action of law, after a Senior Mortgage Default of which Subordinate Lender has actual knowledge (or is deemed to have actual knowledge as provided in Section 4(c)) or has been given Notice, such will be received and held in trust for Senior Lender:
  - (A) Any payment, property, or asset of any kind or in any form in connection with the Subordinate Indebtedness.
  - (B) Any proceeds from any Enforcement Action.
  - (C) Any payment, property, or asset in or in connection with any Bankruptcy Proceeding.
- (iii) Subordinate Lender will promptly remit, in kind and properly endorsed as necessary, all such payments, properties, and assets described in Section 3(d)(ii) to Senior Lender. Senior Lender will apply any payment, asset, or property so received from Subordinate Lender to the Senior Indebtedness in such order, amount (with respect to any asset or property other than immediately available funds), and manner as Senior Lender determines in its sole and absolute discretion.
- (e) Bankruptcy. Without the prior written consent of Senior Lender, Subordinate Lender will not commence, or join with any other creditor in commencing, any Bankruptcy Proceeding. In the event of a Bankruptcy Proceeding, Subordinate Lender will not vote affirmatively in favor of any plan of reorganization or liquidation unless Senior Lender has also voted affirmatively in favor of such plan.

#### **4. Default Under Subordinate Loan Documents.**

(a) Notice of Subordinate Mortgage Default and Cure Rights.

- (i) Subordinate Lender will deliver to Senior Lender and Funding Lender a copy of each Notice delivered by Subordinate Lender pursuant to the Subordinate Loan Documents within 5 Business Days of sending such Notice to Borrower. Neither giving nor failing to give a Notice to Senior Lender or Funding Lender pursuant to this Section 4(a) will affect the validity of any Notice given by Subordinate Lender to Borrower.
- (ii) For a period of 90 days following delivery to Senior Lender of an Enforcement Action Notice, Senior Lender will have the right, but not the obligation, to cure any Subordinate Mortgage Default. However, if such Subordinate Mortgage Default is a non-monetary default and is not capable of being cured within such 90-day period and Senior Lender has commenced and is diligently pursuing such cure to completion, Senior Lender will have such additional period of time as may be required to cure such Subordinate Mortgage Default or until such time, if ever, as Senior Lender takes either of the following actions:
  - (A) Discontinues its pursuit of any cure.
  - (B) Delivers to Subordinate Lender Senior Lender's written consent to the Enforcement Action described in the Enforcement Action Notice.
- (iii) Senior Lender will not be subrogated to the rights of Subordinate Lender under the Subordinate Loan Documents as a result of Senior Lender having cured any Subordinate Mortgage Default.
- (iv) Subordinate Lender acknowledges that all amounts advanced or expended by Senior Lender in accordance with the Senior Loan Documents or to cure a Subordinate Mortgage Default will be added to and become a part of the Senior Indebtedness and will be secured by the lien of the Senior Mortgage.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

- (i) In the event of a Subordinate Mortgage Default, Subordinate Lender will not commence any Enforcement Action until 90 days after Subordinate Lender has delivered to Senior Lender and Funding Lender an Enforcement Action Notice.
- (ii) Subordinate Lender may not commence any other Enforcement Action, including any foreclosure action under the Subordinate Loan Documents, until the earlier of:



- (A) The expiration of such 90-day period or such longer period as provided in Section 4(a).
  - (B) The delivery by Senior Lender to Subordinate Lender of Senior Lender's written consent to such Enforcement Action by Subordinate Lender.
- (iii) Subordinate Lender acknowledges that Senior Lender may grant or refuse consent to Subordinate Lender's Enforcement Action in Senior Lender's sole and absolute discretion. At the expiration of such 90-day period or such longer period as provided in Section 4(a) and, subject to Senior Lender's right to cure set forth in Section 4(a), Subordinate Lender may commence any Enforcement Action.
  - (iv) Senior Lender may pursue all rights and remedies available to it under the Senior Loan Documents, at law, or in equity, regardless of any Enforcement Action Notice or Enforcement Action by Subordinate Lender. No action or failure to act on the part of Senior Lender in the event of a Subordinate Mortgage Default or commencement of an Enforcement Action will constitute a waiver on the part of Senior Lender of any provision of the Senior Loan Documents or this Agreement.
- (c) Cross Default. Subordinate Lender acknowledges that a Subordinate Mortgage Default constitutes a Senior Mortgage Default. Accordingly, upon the occurrence of a Subordinate Mortgage Default, Subordinate Lender will be deemed to have actual knowledge of a Senior Mortgage Default. If Subordinate Lender notifies Senior Lender and Funding Lender in writing that any Subordinate Mortgage Default of which Senior Lender has received Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Mortgage Default under the Senior Loan Documents arising solely from such Subordinate Mortgage Default will be deemed cured, and the Senior Loan will be reinstated.

## **5. Default Under Senior Loan Documents.**

- (a) Notice of Senior Mortgage Default and Cure Rights.
  - (i) Senior Lender or Funding Lender will deliver to Subordinate Lender a copy of any Notice sent by Senior Lender or Funding Lender to Borrower of a Senior Mortgage Default within 5 Business Days of sending such Notice to Borrower. Failure of Senior Lender or Funding Lender to send Notice to Subordinate Lender will not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents.



- (ii) Subordinate Lender will have the right, but not the obligation, to cure any monetary Senior Mortgage Default within 30 days following the date of such Notice. During such 30-day period Senior Lender will be entitled to continue to pursue its remedies under the Senior Loan Documents.
  - (iii) Subordinate Lender may, within 90 days after the date of the Notice, cure a non-monetary Senior Mortgage Default if during such 90-day period, Subordinate Lender keeps current all payments required under the Senior Loan Documents. If such a non-monetary Senior Mortgage Default creates an unacceptable level of risk relative to the Mortgaged Property, or Senior Lender's secured position relative to the Mortgaged Property, as determined by Senior Lender in its sole discretion, then during such 90-day period Senior Lender may exercise all available rights and remedies to protect and preserve the Mortgaged Property and the Rents, revenues and other proceeds from the Mortgaged Property.
  - (iv) All amounts paid by Subordinate Lender to Senior Lender to cure a Senior Mortgage Default will be deemed to have been advanced by Subordinate Lender pursuant to, and will be secured by the lien of, the Subordinate Mortgage. Notwithstanding anything in this Section 5(a) to the contrary, Subordinate Lender's right to cure any Senior Mortgage Default will terminate immediately upon the occurrence of any Bankruptcy Proceeding.
- (b) Release of Mortgaged Property.
- (i) Subordinate Lender consents to and authorizes any future release by Senior Lender of all or any portion of the Mortgaged Property from the lien, operation, and effect of the Senior Loan Documents. Subordinate Lender waives to the fullest extent permitted by law, all equitable or other rights it may have in connection with the release of all or any portion of the Mortgaged Property, including any right to require Senior Lender to do any of the following:
    - (A) To conduct a separate sale of any portion of the Mortgaged Property.
    - (B) To exhaust its remedies against all or any portion of the Mortgaged Property or any combination of portions of the Mortgaged Property or any other collateral for the Senior Indebtedness.
    - (C) To proceed against Borrower, any other party that may be liable for any of the Senior Indebtedness (including any general partner of Borrower if Borrower is a partnership), all or any portion of the Mortgaged Property or combination of portions of the Mortgaged Property or any other collateral, before proceeding against all or

such portions or combination of portions of the Mortgaged Property as Senior Lender determines.

(ii) Subordinate Lender consents to and authorizes, at the option of Senior Lender, the sale, either separately or together, of all or any portion of the Mortgaged Property. Subordinate Lender acknowledges that without Notice to Subordinate Lender and without affecting any of the provisions of this Agreement, Senior Lender may do any of the following:

- (A) Extend the time for or waive any payment or performance under the Senior Loan Documents.
- (B) Modify or amend in any respect any provision of the Senior Loan Documents.
- (C) Modify, exchange, surrender, release, and otherwise deal with any additional collateral for the Senior Indebtedness.

(c) Termination Upon Foreclosure. The lien of the Subordinate Loan Documents will automatically terminate upon the acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in lieu of foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.

**6. Conflicts.** If there is any conflict or inconsistency between the terms of the Subordinate Loan Documents and the terms of this Agreement, then the terms of this Agreement will control. Borrower acknowledges that the terms and provisions of this Agreement will not, and will not be deemed to do any of the following:

- (a) Extend Borrower's time to cure any Senior Mortgage Default or Subordinate Mortgage Default.
- (b) Give Borrower the right to receive notice of any Senior Mortgage Default or Subordinate Mortgage Default, other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents.
- (c) Create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

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

(a) Insurance.

- (i) All requirements pertaining to insurance under the Subordinate Loan Documents (including requirements relating to amounts and types of

coverages, deductibles and special endorsements) will be deemed satisfied if Borrower complies with the insurance requirements under the Senior Loan Documents and of Senior Lender and Funding Lender.

- (ii) All original policies of insurance required pursuant to the Senior Loan Documents will be held by Senior Lender or Funding Lender.
- (iii) Nothing in this Section 7(a) will preclude Subordinate Lender from requiring that it be named as a mortgagee and loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Mortgaged Property, provided such action does not affect the priority of payment of Loss Proceeds, or that Subordinate Lender be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Mortgaged Property.

(b) Condemnation or Casualty.

In the event of a Condemnation or a Casualty, the following provisions will apply:

- (i) The rights of Subordinate Lender (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Condemnation or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation or a Casualty, will be and remain subordinate in all respects to Senior Lender's rights under the Senior Loan Documents, and Subordinate Lender will be bound by any settlement or adjustment of a claim resulting from a Condemnation or a Casualty made by Senior Lender.
- (ii) All Loss Proceeds will be applied either to payment of the costs and expenses of Restoration or to payment on account of the Senior Indebtedness, as and in the manner determined by Senior Lender in its sole discretion; provided however, Senior Lender agrees to consult with Subordinate Lender in determining the application of Casualty proceeds. In the event of any disagreement between Senior Lender and Subordinate Lender over the application of Casualty proceeds, the decision of Senior Lender, in its sole discretion, will prevail.
- (iii) If Senior Lender or Funding Lender holds Loss Proceeds, or monitors the disbursement of Loss Proceeds, Subordinate Lender will not do so. Nothing contained in this Agreement will be deemed to require Senior Lender to act for or on behalf of Subordinate Lender in connection with any Restoration or to hold or monitor any Loss Proceeds in trust for or otherwise on behalf of Subordinate Lender, and all or any Loss Proceeds may be commingled with any funds of Senior Lender.

- (iv) If Senior Lender elects to apply Loss Proceeds to payment on account of the Senior Indebtedness, and if the application of such Loss Proceeds results in the payment in full of the entire Senior Indebtedness, any remaining Loss Proceeds held by Senior Lender will be paid to Subordinate Lender unless another party has asserted a claim to the remaining Loss Proceeds.
- (c) Modification of Subordinate Loan Documents. Subordinate Lender 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, 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 or Funding Lender under the Senior Loan Documents. If Subordinate Lender either (i) amends the Subordinate Loan Documents in the manner set forth above or (ii) assigns the Subordinate Loan without Senior Lender's consent, then such amendment or assignment will be void ab initio and of no effect whatsoever.
- (d) Modification of Senior Loan Documents. Senior Lender may amend, waive, postpone, extend, renew, replace, reduce or otherwise modify any provisions of the Senior Loan Documents without the necessity of obtaining the consent of or providing Notice to Subordinate Lender, and without affecting any of the provisions of this Agreement. Notwithstanding the foregoing, Senior Lender may not modify any provision of the Senior Loan Documents that increases the Senior Indebtedness, except for increases in the Senior Indebtedness that result from advances made by Senior Lender to protect the security or lien priority of Senior Lender under the Senior Loan Documents or to cure defaults under the Subordinate Loan Documents.
- (e) Commercial or Retail Leases. If requested, Subordinate Lender will enter into attornment and non-disturbance agreements with all tenants under commercial or retail Leases, if any, to whom Senior Lender has granted attornment and non-disturbance, on the same terms and conditions given by Senior Lender.
- (f) Consent Rights. Whenever the Subordinate Loan Documents give Subordinate Lender approval or consent rights with respect to any matter, and a right of approval or consent for the same or substantially the same matter is also granted to Senior Lender or Funding Lender pursuant to the Senior Loan Documents or otherwise, Senior Lender's or Funding Lender's approval or consent or failure to approve or consent will be binding on Subordinate Lender. None of the other provisions of Section 7 are intended to be in any way in limitation of the provisions of this Section 7(f).

- (g) Escrows. Except as provided in this Section 7(g), and regardless of any contrary provision in the Subordinate Loan Documents, Subordinate Lender will not collect any escrows for any cost or expense related to the Mortgaged Property or for any portion of the Subordinate Indebtedness. However, if Senior Lender or Funding Lender is not collecting escrow payments for one or more Impositions, Subordinate Lender may collect escrow payments for such Impositions; provided that all payments so collected by Subordinate Lender will be held in trust by Subordinate Lender to be applied only to the payment of such Impositions.
  - (h) Certification. Within 10 days after request by Senior Lender or Funding Lender, Subordinate Lender will furnish Senior Lender and Funding Lender with a statement, duly acknowledged and certified setting forth the then-current amount and terms of the Subordinate Indebtedness, confirming that there exists no default under the Subordinate Loan Documents (or describing any default that does exist), and certifying to such other information with respect to the Subordinate Indebtedness as Senior Lender may request.
8. **Refinancing.** Subordinate Lender agrees that its agreement to subordinate under this Agreement will extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Indebtedness (including reasonable and necessary costs associated with the closing and/or the refinancing, and any reasonable increase in proceeds for rehabilitation in the context of a preservation transaction). All terms and covenants of this Agreement will inure to the benefit of any holder of any such refinanced debt, and all references to the Senior Loan Documents and Senior Lender will mean, respectively, the refinance loan documents and the holder of such refinanced debt.
9. **Governmental Powers.** Nothing in this Agreement is intended, nor will it be construed, to in any way limit the exercise by Subordinate Lender of its governmental powers (including police, regulatory and taxing powers) with respect to Borrower or the Mortgaged Property to the same extent as if it were not a party to this Agreement or the transactions contemplated by this Agreement.
10. **Notices.**
- (a) Any Notice required or permitted to be given pursuant to this Agreement will be in writing and will be deemed to have been duly and sufficiently given if (i) personally delivered with proof of delivery (any Notice so delivered will be deemed to have been received at the time so delivered), or (ii) sent by a national overnight courier service (such as FedEx) designating earliest available delivery (any Notice so delivered will be deemed to have been received on the next Business Day following receipt by the courier), or (iii) 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 will be deemed to have been received on the date of delivery as confirmed by the return receipt), addressed to the respective parties as follows:



Notices intended for Senior Lender will be addressed to:

U.S. Bank Trust Company, National Association  
500 W. Cypress Creek Road, Suite 460  
Fort Lauderdale, Florida 33309  
Attention: Corporate Trust  
Telephone: (954) 938-2475  
Facsimile: (954) 202-2082  
Email: amanda.kumar@usbank.com

Notices intended for Subordinate Lender will be addressed to:

Palm Beach County  
Department of Housing & Economic Development  
100 Australian Avenue, Suite 500  
West Palm Beach, FL 33406  
Attn: Jonathan Brown, Director

With a copy to:

Palm Beach County Attorney's Office  
301 North Olive Avenue, Suite 601  
West Palm Beach, FL 33401  
Attn: Howard J. Falcon, III, Chief Assistant County Attorney

Notices intended for Funding Lender will be addressed to:

Berkadia Commercial Mortgage LLC  
323 Norristown Road, Suite 300  
Attention: Executive Vice President – Servicing  
Ambler, PA 19002

- (b) Any party, by Notice given pursuant to this Section 10, may 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 will only be effective upon receipt. Neither party will refuse or reject delivery of any Notice given in accordance with this Section 10.

**11. Reserved**

**12. Miscellaneous Provisions.**

- (a) Assignments/Successors. This Agreement will be binding upon and will inure to the benefit of the respective legal successors and permitted assigns of the parties to this Agreement. Without prior notice to or the consent of the Subordinate Lender or the Borrower, the Senior Lender may freely transfer or assign the

Senior Loan and the Senior Loan Documents, including this Agreement, in whole or in part, and the Subordinate Lender acknowledges and agrees that any future legal holder of the Senior Note will automatically be a legal successor and permitted assignee of Senior Lender hereunder, without the necessity of any further action or instrument. Except for Funding Lender, no other party will be entitled to any benefits under this Agreement, whether as a third-party beneficiary or otherwise.

- (b) No Partnership or Joint Venture. Nothing in this Agreement or in any of the Senior Loan Documents or Subordinate Loan Documents will be deemed to constitute Senior Lender or Funding Lender as a joint venturer or partner of Subordinate Lender.
- (c) Further Assurances. Upon Notice from Senior Lender or Funding Lender, Subordinate Lender will execute and deliver such additional instruments and documents, and will take such actions, as are required by Senior Lender or Funding Lender to further evidence or implement the provisions and intent of this Agreement.
- (d) Amendment. This Agreement may be amended, changed, modified, altered or terminated only by a written instrument signed by the parties to this Agreement or their successors or assigns.
- (e) Governing Law. This Agreement will be governed by the laws of the State in which the Land is located.
- (f) Severable Provisions. If any one or more of the provisions contained in this Agreement, or any application of any such provisions, is invalid, illegal, or unenforceable in any respect, the validity, legality, enforceability, and application of the remaining provisions contained in this Agreement will not in any way be affected or impaired.
- (g) Term. The term of this Agreement will commence on the date of this Agreement and will continue until the earliest to occur of the following events:
  - (i) The payment of all the Senior Indebtedness; provided that this Agreement will be reinstated in the event any payment on account of the Senior Indebtedness is avoided, set aside, rescinded or repaid by Senior Lender or Funding Lender.
  - (ii) The payment of all the Subordinate Indebtedness other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to this Agreement.
  - (iii) The acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in lieu of

foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.

- (iv) With the prior written consent of Senior Lender, without limiting the provisions of Section 4(b)(iv), the acquisition by Subordinate Lender of title to the Mortgaged Property subject to the Senior Mortgage pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale under) the Subordinate Mortgage.
- (h) Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.
- (i) Entire Agreement. This Agreement represents the entire understanding and agreement between the parties regarding the matters addressed in this Agreement, and will supersede and cancel any prior agreements regarding such matters.
- (j) Authority. Each person executing this Agreement on behalf of a party to this Agreement represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations under this Agreement.
- (k) No Waiver. No failure or delay on the part of any party to this Agreement in exercising any right, power, or remedy under this Agreement will operate as a waiver of such right, power, or remedy, nor will any single or partial exercise of any such right, power or remedy preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power or remedy under this Agreement.
- (l) Remedies. Each party to this Agreement acknowledges that if any party fails to comply with its obligations under this Agreement, the other parties will have all rights available at law and in equity, including the right to obtain specific performance of the obligations of such defaulting party and injunctive relief.
- (m) Funding Lender's Rights to Control. Notwithstanding anything herein to the contrary, pursuant to Section 17(c) of the Senior Mortgage and Section 6.03 of the Funding Loan Agreement, all acts, consents, approvals and undertakings of Senior Lender hereunder must be solely at the written direction of Funding Lender. The parties hereto acknowledge and agree that Funding Lender is a third-party beneficiary of this Agreement, with full rights as such.

**13. Attached Riders.** The following Riders are attached to this Agreement:

None

- 14. Attached Exhibits.** The following Exhibits, if marked with an “X” in the space provided, are attached to this Agreement:

<input checked="" type="checkbox"/>	Exhibit A	Description of the Land (required)
<input type="checkbox"/>	Exhibit B	Ground Lease Description (if applicable)

**[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]**

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

**SENIOR LENDER:**

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**, a national  
banking association

By: \_\_\_\_\_  
Amanda Kumar  
Vice President

Address: \_\_\_\_\_  
\_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by Amanda Kumar, as Vice President of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, on behalf of the bank. Said person is (*check one*) ☐ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]

\_\_\_\_\_  
Signature of person taking acknowledgment  
Name (typed, printed or stamped): \_\_\_\_\_  
Title or Rank: \_\_\_\_\_  
Serial number (if any): \_\_\_\_\_



WITNESSES:

Witness: *Carmen Cepeda*  
Printed Name: Carmen Cepeda  
Address: 100 Australian Ave  
WPB, FL 33406

Witness: *Jeffrey S. Bokan*  
Printed Name: JEFFREY S. Bokan  
Address: 100 AUSTRALIAN AVE  
WPB, FL 33406

SUBORDINATE LENDER:

PALM BEACH COUNTY, a political subdivision  
of the state of Florida.

FOR ITS BOARD OF COUNTY  
COMMISSIONERS

By: *Jonathan Brown*  
Jonathan Brown, Director  
Dept. of Housing & Economic Development

Approved as to Form and Legal  
Sufficiency

By: *Howard J. Falcon, III*  
for: Howard J. Falcon, III  
Chief Assistant County Attorney

Approved as to Terms and Conditions

By: *Sherry Howard*  
Sherry Howard, Deputy Director  
Dept. of Housing & Economic Development

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 31 day of March, 2025, by JOHNATHAN BROWN, as Director, Department of Housing & Economic Development, of PALM BEACH COUNTY, a political subdivision of the state of Florida, on behalf of the Board of County Commissioners. Said person is (check one) ☒ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]

*Fanny M. Amici*  
Signature of person taking acknowledgment  
Name (typed, printed or stamped): Fanny M. Amici  
Title or Rank: Contact Per Manager  
Serial number (if any):  
My Commission No.: HH 278385

## **CONSENT OF BORROWER**

Borrower acknowledges receipt of a copy of this Subordination Agreement, dated March \_\_\_\_\_, 2025, by and between U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, and PALM BEACH COUNTY, a political subdivision of the State of Florida, and consents to the agreement of the parties set forth in this Agreement.

[SIGNATURE PAGE FOLLOWS]

QUIET WATERS PRESERVATION, LP, a  
Florida limited partnership

By: Affordable Housing Institute, Inc., a Florida not  
for profit corporation, its general partner

By: Bryan C. Hartnett  
Bryan C. Hartnett  
President

Address: 2820 Selwyn Ave, STE 690  
Charlotte, NC 28204

**ACKNOWLEDGMENT**

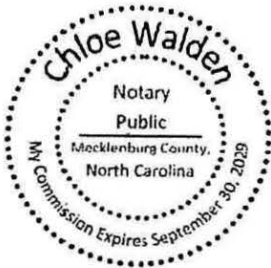
STATE OF North Carolina )

) ss:

COUNTY OF Mecklenburg )

The foregoing instrument was acknowledged, sworn to (or affirmed) and subscribed before me  
by means of ☒ physical presence or ☐ online notarization this 26th day of MARCH,  
2025, by Bryan C. Hartnett, as President of Affordable Housing Institute, Inc., a Florida not for  
profit corporation, the general partner of Quiet Waters Preservation, LP, a Florida limited  
partnership, on behalf of the partnership. He is personally known to me or has produced  
DRIVERS LICENSE (type of identification) as identification.

(SEAL)



Chloe Walden  
Notary Public  
Printed Name: Chloe Walden  
My Commission Expires: 09/30/2029  
Commission #: 202427700232

**EXHIBIT A**  
**LEGAL DESCRIPTION**

## ALLONGE TO AMENDED AND RESTATED PROMISSORY NOTE

### (Quiet Waters Apartments/Palm Beach County Loan)

**THIS ALLONGE TO AMENDED AND RESTATED PROMISSORY NOTE** (“Allonge”) dated as of March 21, 2025 (“**Effective Date**”), is made by **MCCURDY CENTER, LTD.**, a Florida limited partnership, with an address at 5324 Star Rush Lane, Lake Worth, FL 33467 (“**Maker**”), to and for the benefit of **PALM BEACH COUNTY**, a political subdivision of the State of Florida (the “**County**”), with an address at 301 North Olive Avenue, West Palm Beach, Florida 33401, and is to be attached to, incorporated into, and shall amend that certain Amended and Restated Promissory Note made by Maker in favor of the County dated February 5, 2009, in the original principal amount of \$600,000.00 (the “**Note**”).

### **WITNESSETH:**

**WHEREAS**, on or about February 5, 2009, the County made a loan in the original principal amount of SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000.00) (the “**Loan**”) to Maker pursuant to that certain Loan Agreement between the County and Maker (the “**Loan Agreement**”) in connection with that certain multifamily residential housing development known as Quiet Waters 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 by Maker in favor of the County, dated February 5, 2009, and recorded February 6, 2009, in Official Records Book 23068, Page 1053, of the Public Records of Palm Beach County, Florida (the “**Mortgage**”); and

**WHEREAS**, the County has been advised of the potential sale of the Development by Maker to Quiet Waters Preservation, LP, a Florida limited partnership, pursuant to that certain Contract for Purchase and Sale of Real Property dated as of November 20, 2023, as amended and assigned (the “**Potential Transaction**”); and

**WHEREAS**, in order to facilitate the Potential Transaction, the County has approved, among other things, the extension of the Maturity Date of the Loan.

**NOW, THEREFORE**, the Maker and the County hereby ratify the provisions and obligations of the Note and agree 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. Maturity Date. The Maturity Date referenced in paragraph 2 of the Note and all other documents evidencing the Loan, including the Mortgage, is hereby amended to be "December 31, 2047".

4. Ratification. Except as amended hereby, the Note remains in full force and effect and shall be binding upon Maker, its representatives, successors and assigns.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO  
ALLONGE TO PROMISSORY NOTE**

**(Quiet Waters Apartments/Palm Beach County Loan)**

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

**MAKER:**

**MCCURDY CENTER, LTD.,**  
a Florida limited partnership

By: McCurdy Senior Housing, LLC,  
a Florida limited liability company,  
its general partner

By: McCurdy Senior Housing Corporation,  
a Florida not for profit corporation,  
its Managing Member

By: \_\_\_\_\_

Name: Joseph Glucksman

Title: President

**ACKNOWLEDGMENT AND ACCEPTANCE OF  
ALLONGE TO PROMISSORY NOTE**

**(Quiet Waters Apartments/Palm Beach County Loan)**

Delivery acknowledged and accepted this 21 day of March, 2025, by PALM BEACH COUNTY, a political subdivision of the State of Florida.


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

**FOR ITS BOARD OF COUNTY  
COMMISSIONERS**

By:   
Jonathan Brown, Director  
Dept. of Housing & Economic Development

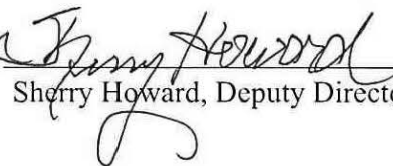
Date: 3/21/2025

Approved as to Form and Legal Sufficiency:

By:  Howard J. Falcon III  
Howard J. Falcon III  
Chief Assistant County Attorney

Digitally signed by Howard J. Falcon III  
DN: cn=org, dc=pbccgov, ou=Enterprise,  
ou=ATT, ou=Users, cn=Howard J.  
Falcon III, email=E=HFalcon@pbccgov  
Location: I am approving this document  
Date: 2025.03.21 11:19:11-04'00'  
Foxit PDF Editor Version: 12.1.0

Approved as to Terms and Conditions  
Department of Housing and Economic  
Development

By:   
Sherry Howard, Deputy Director

**ALLONGE TO AMENDED AND RESTATED PROMISSORY NOTE**

**(Quiet Waters Apartments/Palm Beach County Loan)**

**THIS ALLONGE TO AMENDED AND RESTATED PROMISSORY NOTE** (“Allonge”) dated as of [March 31], 2025 (“**Effective Date**”), is made by **QUIET WATERS PRESERVATION, LP**, a Florida limited partnership, with an address at 100 Wells Avenue, Newton, MA 02459 (“**Maker**”), to and for the benefit of **PALM BEACH COUNTY**, a political subdivision of the State of Florida (the “**County**” or “**Holder**”), with an address at 301 North Olive Avenue, West Palm Beach, Florida 33401, and is to be attached to, incorporated into, and shall amend that certain Amended and Restated Promissory Note in the original principal amount of \$600,000.00, as affected by that certain Allonge to Amended and Restated Promissory Note dated as of March 21, 2025 (the “**Note**”).

**WITNESSETH:**

**WHEREAS**, on or about February 5, 2009, the County made a loan in the original principal amount of SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$600,000.00) (the “**Loan**”) to McCurdy Center, Ltd., a Florida limited partnership (the “**Former Owner**”) pursuant to that certain Loan Agreement between the County and Former Owner (the “**Loan Agreement**”) in connection with that certain multifamily residential housing development known as Quiet Waters 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 by Former Owner in favor of the County, dated February 5, 2009, and recorded February 6, 2009, in Official Records Book 23068, Page 1053, of the Public Records of Palm Beach County, Florida (the “**Mortgage**”); and

**WHEREAS**, the County was advised of the sale of the Development by Former Owner to Maker pursuant to that certain Contract for Purchase and Sale of Real Property dated as of November 20, 2023, as amended and assigned (the “**Transaction**”); and

**WHEREAS**, as a condition to the County providing their consent to the Transaction and the assignment of the Loan to Maker, on or prior to the closing of the Transaction, Former Owner has agreed to pay the County One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) towards the current outstanding principal amount of the County Loan (the “**County Loan Pay-Down**”); and

**WHEREAS**, as of the Effective Date and taking into account the County Loan Pay-Down, the principal amount owing under the Loan is \$450,000.00 and the unpaid accrued interest is \$0; and

**WHEREAS**, simultaneous to the execution of this Allonge, Maker has entered into and executed certain loan documents in connection with the following loans ("**Senior Loans**"): (i) that certain bond loan by the Housing Finance Authority of Palm Beach County, Florida ("**Governmental Lender**"), in the original principal amount of \$9,369,000.00 ("**Bond Loan**"), which Bond Loan will be funded with the proceeds from a separate loan made to Governmental Lender by Berkadia Commercial Mortgage LLC, a Delaware limited liability company, in the original principal amount of \$9,369,000.00 ("**Funding Loan**"), which Funding Loan will be purchased by the Federal Home Loan Mortgage Corporation ("**Freddie Mac**"); and (ii) that certain SAIL loan from Florida Housing Finance Corporation in the original principal amount of \$1,750,000, which has been assigned by Former Owner to Maker simultaneously herewith; and

**WHEREAS**, in connection with the Transaction, the County approved, among other things (i) the assumption of the Loan by the Maker, (ii) the subordination of the Loan to the Senior Loans, (iii) the extension of the Maturity Date of the Loan, and (iv) certain other modifications to the Note, all as set forth in more detail herein and in that certain Assumption and Global Modification of Mortgage and Security Agreement, Promissory Note and Other Loan Documents, entered into by and between Former Owner, Maker and the County, on even date herewith and to be recorded in the Public Records of Palm Beach County, Florida; and

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

1. Assignment. The Note has been assigned by Former Owner to Maker.
2. Amendment to Note. This Allonge is to be physically attached to the Note and is incorporated into and forms a part of the Note.
3. References. All references in the Note and the Mortgage to the term "Note" shall mean the Note as amended and endorsed by this Allonge.
4. Maker of Note. The Maker of the Note is hereby amended to "QUIET WATERS PRESERVATION LP, a Florida limited partnership." From and after the Effective Date, the HOLDER hereby releases the Former Owner and any and all prior general and limited partners of the Former Owner, and each of their affiliates, from any and all indebtedness, obligations, liabilities, representations, warranties, covenants, agreements, conditions, restrictions and limitations pursuant to the Note, Mortgage, Loan Agreement and all other documents evidencing by the Loan for matters accruing on and after the Effective Date.
5. Term. Maker and the County hereby confirm that the Maturity Date of the Note is December 31, 2047 pursuant to that certain Allonge to Amended and Restated Promissory Note dated March 21, 2025 by Former Owner to and for the benefit of the County.
6. Loan Amount. As a result of the County Loan Pay-Down, the new loan amount shall be \$450,000.00.
7. Senior Loans and Subordination Agreements. All references to the "First Mortgage" shall be deleted in their entirety and shall be replaced with reference to the following mortgages (collectively, the "Senior Mortgages"): (i) that certain Multifamily Mortgage,



Assignment of Rents, and Security Agreement dated March 31, 2025, in favor of the Housing Finance Authority of Palm Beach County, Florida ("Governmental Lender"), as assigned by Governmental Lender to U.S. Bank Trust Company, National Association, a national banking association ("Fiscal Agent"), pursuant to that certain Assignment of Security Instrument dated March 31, 2025; and (ii) that certain Mortgage and Security Agreement dated June 11, 2008, in favor of Florida Housing Finance Corporation ("FHFC"), as assigned by Former Owner to Maker pursuant to that certain Assignment and Assumption Agreement dated March 31, 2025. All references to the "First Mortgagee" shall be deleted in their entirety and shall be replaced with reference to the following senior lenders (collectively, the "Senior Lenders"): Governmental Lender, Fiscal Agent, and FHFC. All references to the "Senior Note" shall be deleted in their entirety and shall be replaced with reference to the following senior notes (collectively, the "Senior Notes"): (i) a Project Note – Fixed Rate – TEL (Immediate) dated as of March 31, 2025, in the original principal amount of \$9,369,000.00 issued by Maker and payable to Governmental Lender; and (ii) an Amended and Restated Promissory Note dated as of March 31, 2025, in the principal amount of \$1,312,500, issued by Maker and payable to FHFC. All references to the "Subordination Agreement" shall be deleted in their entirety and shall be replaced with reference to the following subordination agreements (the "Subordination Agreements"): (i) that certain Subordination Agreement dated March 31, 2025, by and between Maker, the County, and Fiscal Agent, and (ii) that certain Subordination Agreement dated March 31, 2025, by and between Maker, the County, and FHFC.

8. Ratification. Except as amended hereby, the Note remains in full force and effect and shall be binding upon Maker, its representatives, successors and assigns.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO  
ALLONGE TO PROMISSORY NOTE**

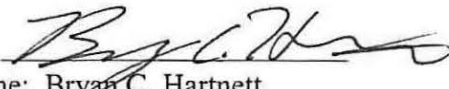
**(Quiet Waters Apartments/Palm Beach County Loan)**

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

**MAKER:**

Quiet Waters Preservation, LP,  
a Florida limited partnership

By: Affordable Housing Institute, Inc.,  
a Florida not for profit corporation,  
its general partner

By:   
Name: Bryan C. Hartnett  
Title: President

**ACKNOWLEDGMENT AND ACCEPTANCE OF  
ALLONGE TO PROMISSORY NOTE**

**(Quiet Waters Apartments/Palm Beach County Loan)**

Delivery acknowledged and accepted this \_\_\_\_ day of \_\_\_\_\_, 2025 by PALM BEACH COUNTY, a political subdivision of the State of Florida.

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

**FOR ITS BOARD OF COUNTY  
COMMISSIONERS**

By: Jonathan Brown  
Jonathan Brown, Director  
Dept. of Housing & Economic Development

Date: March 31, 2025

Approved as to Form and Legal Sufficiency:

By: Howard J. Falcon III  
for: Howard J. Falcon III  
Chief Assistant County Attorney

Approved as to Terms and Conditions  
Department of Housing and Economic  
Development

By: Sherry Howard  
Sherry Howard, Deputy Director

R2009 0100

LOAN AGREEMENT

THIS LOAN AGREEMENT ("Loan Agreement"), dated as of Jan 13 2009 of Jan 13 2009, 2009, by and between Palm Beach County, a political subdivision of the State of Florida, (hereinafter referred to as the "County" and the "Lender") and McCurdy Center Ltd., a Florida limited partnership, whose Federal I.D. number is 20-2332064 (the "Borrower").

1. RECITALS.

(a) Borrower is the owner of certain real property located in Belle Glade, Palm Beach County, Florida, as more particularly described in Exhibit "A", attached hereto and made a part hereof, (the "Premises"):

(b) Borrower has applied to the County for a loan in the principal amount of \$600,000.00 (the "Loan") to be used by Borrower to construct apartments on the Premises. Borrower intends to construct a 93-unit apartment complex to serve extremely low and low income households on the Premises (the "Improvements"). The Premises and the Improvements shall herein collectively be known as Quiet Waters or the "Development."

(c) Borrower and the County have negotiated the terms and conditions of, and wish to enter into, this Agreement in order to set forth the terms and conditions for the disbursement of the Loan.

(d) The Florida Housing Finance Corporation (the "First Mortgagee"), through the SAIL Program, financed the construction and permanent financing of the Improvements pursuant to a separate construction loan to Borrower in the original principal amount of \$1,750,000.00, secured by a Mortgage and Security Agreement made by Borrower in favor of First Mortgagee and recorded June 16, 2008 in Official Records Book 22702, Page 1504 of the Public Records of Palm Beach County, Florida, encumbering the Development (the "First Mortgage").

NOW, THEREFORE, in consideration of the premises, and of the mutual covenants and agreements set forth below the receipt and sufficiency of which is hereby acknowledged, Borrower and the County agree as follows:

2. THE LOAN. The County shall make the Loan to Borrower in an amount not to exceed the principal amount of \$600,000.00 upon the terms and conditions set forth herein, and at the rates and terms set forth in its Note and Mortgage attached hereto as Exhibit "B" and "C" respectively, and Borrower shall take the Loan and expressly agrees to comply with and to perform all of the terms and conditions of this Loan Agreement, the Note, the Mortgage and any other documents evidencing and securing this Loan (collectively hereinafter referred to as the "Loan Documents"). The closing of the Loan, including the execution of the Note and Mortgage, shall occur at the offices of the County Attorney or such other mutually agreed upon site no later than March 31, 2009.

3. RIGHT TO AUDIT. The Borrower shall maintain adequate records to justify all charges, expenses and costs incurred for completion of the Improvements for at least three (3) years after completion. The County shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the Borrower's place of business. As a result of this assistance being in the form of a "cash-flow dependent loan," Annual Audited Financial Statements are due to the County (i.e., to the Palm Beach County Commission on Affordable Housing) no later than thirty (30) days following the end of each State Housing Initiative Partnership (SHIP) Program fiscal year (by July 30<sup>th</sup>).

4. ANNUAL/SEMI-ANNUAL REPORTS. The Grantee shall provide the County (i.e., to the Palm Beach County Commission on Affordable Housing) with a detailed Progress Report for all construction projects that are not fully completed and occupied by income eligible applicants. This Progress Report is due semi-annually (by December 31<sup>st</sup> and June 30<sup>th</sup> of each year). The Progress Report shall include an

updated timeline for the completion of construction and occupancy of the SHIP assisted units. Once the construction phase is completed and the SHIP assisted units have been occupied, the Grantee shall provide an Annual Report to the Commission on Affordable Housing no later than thirty (30) days following the end of each State Housing Initiative Partnership (SHIP) Program fiscal year (by July 30<sup>th</sup>). The Annual Report format and spreadsheet is listed as Exhibit "D." An Annual Report will be required for the entire project affordability timeframe.

5. CONDITIONS PRECEDENT TO CLOSING. The conditions listed below are a condition precedent to the County's acceptance of the Mortgage documents and disbursement of funds and shall be complied with in form and substance satisfactory to the County prior to the closing:

(a) Title Insurance:

(i) Within thirty (30) days of the effective date hereof, Borrower shall deliver to County a title commitment issued by a title insurance company qualified to do business in the State of Florida and acceptable to County, agreeing to issue to County upon recording of the Mortgage a Lender's Title Insurance Policy in the amount of said Mortgage, subject only to the Permitted Exceptions listed on Exhibit "E" attached hereto and made a part hereof. Said commitment shall have attached to it copies of all exceptions referred to in the title commitment. The cost of said title commitment and policy and any premium therefor shall be borne by Borrower.

(ii) County shall have fifteen (15) days after receipt of the title insurance commitment in which to review the same. In the event the title insurance commitment shall show as an exception any matter other than the Permitted Exceptions, County shall notify Borrower of its objections there to and Borrower shall act to remove such exceptions, which exception shall be deemed to constitute title defects. The Borrower shall be entitled to thirty (30) days from the day of notification within which to cure such defects or make arrangements with the title insurer for the removal of any such objections from the commitment. If the defect shall not have been so cured or removed from the commitment by endorsement thereto with the termination of said thirty (30) day period, the County shall have the option of accepting title as it then exists or terminating this Loan Agreement, by giving written notice thereof to Borrower, in which event the parties shall be relieved of all further obligations hereunder. Notwithstanding the foregoing, County shall not object to any exception necessary for the construction and development of the Improvements.

(iii) The title insurance commitment shall be endorsed at closing to remove any and all requirements of pre-conditions to the issuance of a Lenders Title Insurance Policy, and to delete any exceptions for: (a) any rights or claims or parties in possession not shown by the public records; (b) encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the Premises; (c) unrecorded easements and claims of liens; (d) taxes for the year 2008 and all prior years; (e) matters arising or attaching subsequent to the effective date of the commitment but before the Mortgage becomes recorded in the Public Records, except those matters necessary for the construction and development of the Improvements.

(b) Survey: Borrower shall deliver to the County a certified survey prepared by a surveyor acceptable to the County of the Premises showing the following:

(i) the location of the perimeter of the Premises by courses and distances and perimeter footings in place, and by reference to Township, Range, Section:

(ii) the location of and the identification by reference to recording data of all easements, rights-of-way, conditions and restrictions on or appurtenant to the Premises:

(iii) the location of all building setback lines:



(iv) the lines of the streets abutting the Premises and the width thereof;

(v) all encroachments, and the extent thereof in feet and inches upon the Premises;

(vi) if the Premises are described as being on a filed map, a legend relating the plat of survey to such map;

(vii) flood zone certification; and

(viii) any other notations required for the deletion of the survey exception from the Title Insurance Policy to be issued in accordance with paragraph 4(a) above and any other requirements requested by the County.

(c) Note: The Note, in a form acceptable to the County Attorney, shall be duly authorized, executed and delivered to the County;

(d) Mortgage: The Mortgage, in a form acceptable to the County Attorney, shall be duly authorized, executed, acknowledged, delivered to the County, and when recorded, shall be a valid mortgage lien on the Premises and on all fixtures and personal property owned by Borrower to be used in connection with the Improvements.

(e) Mortgagor's Affidavit: An affidavit of Borrower shall be executed and delivered to the County as required by the Title Insurer as noted in paragraph 4 (a) above, certifying to all such facts as are required to delete the Standard Exceptions from the Lenders Title Insurance Policy and certifying that no liens exist on the Premises for taxes not yet due and payable and that no other parties are entitled to possession except as otherwise provided herein.

(f) Public Requirements: Borrower shall deliver to the County:

(i) letters from local utility companies or municipal authorities stating that electricity, telephone, sewer and water facilities will be available to the Premises upon the completion of the intended Improvements,

(ii) a letter from the appropriate Zoning Department certifying as to compliance with all zoning and land use regulations including but not limited to compliance with parking requirements, a copy of the applicable zoning ordinances certified by an appropriate official to be a complete and accurate statement thereof, and an up-to-date zoning map similarly certified,

(iii) evidence satisfactory to the County that all roads necessary for the full utilization of the intended Improvements for their intended purposes have either been acquired by the appropriate governmental authorities or have been dedicated to public use and accepted by such governmental authorities and that all necessary steps have been taken by Borrower and such governmental authorities to assure the complete construction and installation thereof,

(iv) copies of subdivision plats, restrictive covenants, plans of developments, and all other documents required by the local zoning and subdivision ordinances, and such other documents required by and satisfactory to the County; and evidence satisfactory to the County and its counsel that the Final Plans conform to all federal, state, and local laws, ordinances, rules and regulations, including, but not limited to, laws of the State of Florida regulating air and water pollution and land use,

(v) copies of all necessary approvals from appropriate environmental protection agencies, and

(vi) satisfactory soil test report;

(g) Partnership Documents: Borrower shall deliver to the County the following documents:

(i) The Certificate of Limited Partnership of the Borrower and all amendments thereof, certified by the appropriate official of the State of Florida, together with certificates of such official to the effect that Borrower is in good standing therein;

(ii) certified resolutions of the Borrower authorizing the execution and delivery of this Agreement, the Mortgage, Note and all other documents necessary or desirable, for the consummation of the transactions contemplated by this Agreement;

(h) Flood Insurance: Borrower shall deliver to the County evidence satisfactory to the County either that the Premises are not within a hazardous flood area as designated by the Department of Housing and Urban Development and any other governmental authority, or if the Premises are within such a hazardous area, that the Premises are covered by flood insurance supplied by the federal Insurance Administration to the maximum amount available, all as provided in the Flood Disaster Protection Act of 1973, as amended, together with appropriate endorsements thereto providing for the County's interests in the same manner as the Builder's Risk Insurance, including without limitation that such insurance will not be canceled without 30 days notice to the County. Borrower agrees that the County shall have the right to take any action necessary to continue said insurance in full force and effect including, but not limited to, paying premiums. Any funds disbursed to continue said policies in full force and effect shall be considered as Disbursements hereunder and shall bear interest from the date of disbursement at the same rate as other Disbursements and payment of said funds and interest shall be secured by the Mortgage. Satisfactory evidence of flood area designation shall be a certification from the Surveyor appearing on the survey drawing;

(i) Opinion of Borrower's Counsel: Borrower shall deliver to the County an opinion of counsel for Borrower and addressed to the County, such counsel to be reasonably satisfactory to the County, to the effect that:

(i) This Loan Agreement and all Loan Documents and any other documents required to be delivered hereunder have been duly authorized, executed and delivered and are valid, binding and enforceable in accordance with their terms.

(ii) that Borrower is a Florida limited partnership in good standing under the laws of the State of Florida and has all the necessary power and authority to undertake its obligations hereunder,

(iii) to the best of counsel's knowledge, that Borrower is in compliance with all laws, regulations, ordinances and orders of all governmental authorities, including, but not limited to, if applicable, the Interstate Land Sales Full Disclosure Act, all applicable federal and state securities laws, and all laws of the State of Florida, applicable to the type of development contemplated hereunder,

(iv) to the best of counsel's knowledge and based upon the representations of the developer's engineer or architect, that the proposed construction of the Improvements and proposed use of the Premises comply with all applicable zoning and building laws and regulations, and all other applicable federal, state and local laws, ordinance and regulations, and that all permits and approvals required by all governmental agencies regulating air and water pollution have been obtained, and Florida Statute Chapter 380 pertaining to Development of Regional Impact (including the Aggregation Rule) as it relates to the Premises is not applicable,

(v) that there is no charter or bylaw of Borrower and no provision of any existing mortgage, indenture, contract or agreement known to such counsel binding on Borrower or affecting its property which could conflict with or in any way prevent the execution, delivery and carrying out of the terms of this Agreement,

(vi) that to counsel's knowledge there are no proceedings pending or threatened before any court or administrative agency which will materially adversely affect the financial condition or operation of Borrower or the Premises, including but not limited to bankruptcy, reorganization or insolvency proceeding or any other debtor-

creditor proceedings under the Bankruptcy Code or any similar statute, nor to counsel's knowledge are there any finance circumstances which could lead to such proceedings,

(vii) that the lien of the Mortgage is a valid lien on the Premises and the security interest described in the mortgage is good and valid security interests:

(viii) such other matters as the County may reasonable require.

(j) Expenses: Borrower shall have paid all those fees and charges due and payable or ordered paid by the County as provided herein under Paragraph 7 of this Loan Agreement entitled Expenses;

(k) Other Documents: Borrower shall deliver to the County such other documents and information as the County may reasonably require; and

(l) Representations and Warranties: The representations and warranties of Borrower as set forth in this Agreement and the Loan Documents are true and correct in all material respects.

6. DISBURSEMENT OF LOAN FUNDS: Upon receipt of documentation evidencing payment of construction costs associated with the construction of the Improvements on the Premises by Borrower, the County shall disburse the Loan funds to Borrower in an amount not to exceed \$600,000.00. Payment will not be made hereunder for any other purpose or purposes except with prior written approval of the Board of County Commissioners of Palm Beach County.

7. EXPENSES: Borrower shall pay fees and charges incurred in the procuring and making of this Loan, if applicable, and other expenses incurred by the County during the term of the Loan, including the Title Insurance Company's fees and premiums, charges for examination of title to the Premises, expenses of surveys, recording expenses, any and all insurance premiums, taxes, assessments, water rates, sewer rates and other charges, liens and encumbrances upon the Premises, and any other amounts necessary for the payment of the costs of Improvements.

8. SPECIAL PROVISIONS: Borrower expressly agrees to the following terms and conditions:

(a) Borrower agrees that the Improvements will consist of a 93-unit apartment complex, and that all of the apartment units to be constructed on the Premises shall be reserved for households who have extremely low or low income pursuant to U.S. Government HUD guidelines for a period of thirty (30) years. Specifically, twenty-three (23) units shall be reserved for extremely low income households and seventy (70) units shall be reserved for low income households. At least 50% of these units shall be reserved for homeless households, as defined in Chapter 67-48.001 of the Florida Administrative Code and First Mortgagee's rules and regulations.

(b) The Borrower shall not discriminate on the basis of race, age, creed, religion, color, sex, marital status, sexual orientation, gender identity or expression, national origin, familial status, or disability in the use, or occupancy of any housing constructed on the Premises.

(c) The Mortgage shall not be subject to any prepayment penalty.

(d) The Mortgage shall become immediately due and payable upon sale, transfer, or refinancing of the Premises.

(e) The Mortgage shall be non-assumable.

(f) Borrower agrees that the project will:

(i) provide energy efficient heating and cooling;

(ii) provide awnings, blinds, sun screening or similar window treatment;

- (iii) provide high efficiency appliances over 8 SEER;
- (iv) provide safe pedestrian and bicycle paths;
- (v) maximize open space (25% or more of site);
- (vi) conduct background checks on adult members of household prior to occupancy;

Conditions (a) (b) and (f) above shall, upon closing become covenants running with the land for a period of thirty (30) years and shall survive the closing, and the payment or other termination of the Mortgage and Note. These conditions and covenants will be recorded in the land records of Palm Beach County, Florida by inclusion in the Mortgage and/or by separate document satisfactory to the County's Attorney citing the granting of this loan and mortgage as consideration.

Notwithstanding anything to the contrary herein, in the event of a foreclosure and sale of the Development (or a portion thereof) or receipt of a deed in lieu of foreclosure pursuant to a default under the First Mortgage, subsections (a), (b) and (f) of this Section 8 shall be null and void and of no further force and effect. If a "Related Party" to the Borrower as defined in the Internal Revenue Code, should purchase the Development (or any portion thereof) following a foreclosure or a deed in lieu of foreclosure, the conditions set forth in subsections (a), (b) and (f) of this Section 8 shall be reinstated as of the date of transfer to the Related Party.

9. REPRESENTATIONS AND WARRANTIES OF BORROWER. Borrower represents and warrants (which representations and warranties shall be deemed continuing) as follows:

(a) Organization Status. Borrower is a Florida limited partnership duly organized and validly existing in good standing under the laws of the State of Florida with full power and authority to consummate the transactions contemplated herein. Borrower is duly authorized to borrow from County the principal sum of \$600,000.00 and execute all the Loan documents pertaining thereto.

(b) Financial Statements. The Financial statements of Borrower heretofore reviewed with the County are true and correct in all material respects, have been prepared in accordance with generally accepted accounting principles, and fairly present the respective financial conditions of the subjects thereof as of the respective dates thereof, and no material adverse change has occurred in the financial conditions reflected therein since the respective dates thereof and no additional borrowings have been made by Borrower since the date thereof;

(c) Authority to Enter into Loan Documents. The Borrower has full power and authority to enter into the Loan Documents and consummate the transactions contemplated hereby, and the facts and matters expressed or implied in the opinions of its legal counsel are true and correct;

(d) Validity of Loan Documents. The Loan Documents have been approved by those persons having proper authority, and to the best of Borrower's knowledge are in all respects legal, valid and binding according to their terms;

(e) Conflicting Transactions of Borrower. The consummation of the transaction hereby contemplated and the performance of the obligations of Borrower under and by virtue of the Loan Documents will not result in any breach of, or constitute a default under, any other Agreement to which Borrower is a party or by which it may be bound or affected;

(f) Pending Litigation. To Borrower's knowledge there are no actions, suits or proceedings pending before any court of law or equity, or any Administrative Board, or, to the knowledge of the Borrower, threatened against or affecting it or the Premises, or, involving the validity or enforceability of the Mortgage, or of any of the Loan Documents.

(g) Availability of Utilities. All utility services necessary for the construction of the Improvements and the operation thereof for their intended purpose are or will be available at the boundaries of the Premises, including water supply, storm and sanitary sewer facilities, and electric and telephone facilities, and Borrower has obtained or will obtain all necessary permits and permissions required from governmental authorities for unrestricted access to and use of such services in connection with the construction and use of the intended Improvements;

(h) Condition of Premises. The Premises are not now damaged or injured as a result of any fire, explosion, accident, flood or other casualty, and to Borrower's knowledge there are no soil conditions which would materially interfere with the construction of the Improvements;

(i) Availability of Roads. All roads necessary for the full utilization of the intended Improvements for their intended purposes have either been completed or the necessary rights of way therefor have either been acquired by the appropriate local authorities or have been dedicated to public use and accepted by such local authorities and all necessary steps have been taken by Borrower and such local authorities to assure the complete construction and installation thereof;

(j) No Default. There is no default on the part of the Borrower under this Loan Agreement, the Note or the Mortgage, and no event has occurred and is continuing which with notice, or the passage of time, or either, would constitute a default under any provision thereof; and

(k) Advertising. During the period of the construction of the Improvements, the County shall have the right to install and maintain on the Premises one or more signs identifying the County, or to be identified on such signs installed by others, as one of the institutions financing the Premises. Sign or signs will be provided by the County and erected at Borrower's expense.

(l) Hazardous Waste. To Borrower's knowledge, Borrower is in compliance with all provisions of the federal Water Pollution Control Act, Comprehensive Environmental Response, Compensation and Liability ("Superfund") Act of 1980 and Solid Waste Disposal Act, Florida Statutes, Chapter 376, and other similar federal, state and local statutory schemes imposing liability on Borrower relating to the generation, storage, impoundment, disposal, discharge, treatment, release, seepage, emission, transportation or destruction of any sewage, garbage, effluent, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), toxic, hazardous or radioactive materials, petroleum products, pesticides, smoke, dust, or any other form of pollution as such laws are in effect as of the date of this Agreement and with any rules, regulations and order issued by any federal, state or local governmental body, agency or authority thereunder and with any orders or judgments of any courts of competent jurisdiction with respect thereto, and no assessment, notice of (primary or secondary) liability or notice of financial responsibility, or the amount thereof, or to impose civil penalties has been received by the Borrower. Borrower has paid any environmental excise taxes imposed pursuant to Sections 4611, 4661 or 4681 of the Internal Revenue Code of 1986, as from time to time amended.

(m) The Borrower has filed all Federal, State and local tax reports and returns required by any law or regulation to be filed by them, and have either duly paid all taxes, duties and charges indicated due on the basis of such returns and reports, or made adequate provisions for the payment thereof, and the assessment of any material amount of additional taxes in excess of those paid and reported is not reasonably expected.

10. ADDITIONAL COVENANTS OF BORROWER. Borrower covenants and agrees with the County as follows:

(a) Mechanics' Liens. Borrower (i) will cause the Mechanics' Lien exception to be deleted from the Lender's Title Insurance Policy to be issued to the County, (ii) has caused a certified copy of the Notice of Commencement to be posted as required by Chapter 713, Florida Statutes, , (iii) shall notify the County of any and all Notices to



Borrower which are received after the Closing of the loan contemplated herein as Owner as that term is defined in Chapter 713, Florida Statutes, within five (5) days of receipt thereof, and (iv) will comply with all provisions of the Florida Mechanics' Lien Law, including but not limited to, payment and notice provisions contained therein. Borrower shall indemnify and hold the County harmless from the claims of any mechanics' lien or equitable lien and pay promptly upon demand any loss or losses which the County may incur as a result of the filing of any such lien, including the reasonable cost of defending same and the County's reasonable attorneys' fees in connection therewith.

In addition, Borrower agrees, at its sole cost and expense, to have any mechanics' lien or equitable lien which may be filed against the Premises or undisbursed funds of this Loan released, bonded or insured over within sixty (60) days of the date of filing same, time being of the essence. The County shall be under no obligation to make further disbursements while any such lien remains outstanding against the Premises. If Borrower fails, after demand, to cause said lien or liens to be released, bonded or insured over as aforesaid the County may take such steps as it deems necessary and any funds expended shall be charged to Borrower's Loan Account and shall bear interest as provided by the Loan Documents.

Borrower hereby authorizes the County to demand, on Borrower's behalf, the statement of account referred to in Section 713.16(2) of the Florida Statutes, of any potential lienor filing a Notice to Owner. It is specifically understood and agreed, however, that the County's right to request such statements of account will in no way impose any obligation on the County to use such authority, and the exercise of such authority on one or more occasion shall not create or imply any obligation on such party to exercise such authority on subsequent occasions.

(b) No Transfer of Premises. Except as specifically set forth in the Mortgage or herein, including in the Permitted Exceptions, the Premises or any part thereof shall not be sold, leased (except for tenant lease), conveyed, mortgaged or encumbered in any way without the prior written consent of the County which consent shall not be unreasonably withheld, or delayed except as provided elsewhere herein or in the Mortgage, it being understood and agreed that part of the consideration for the Loan is the obligation of Borrower. Notwithstanding the foregoing, Borrower may enter into utility easements or licenses or leases for tenant services, such as laundry or concessions.

(c) Compliance with Laws. Borrower will comply promptly with all federal, state and local laws, ordinances and regulations relating to the construction, use, and leasing of the Premises, and will obtain and keep in good standing all necessary licenses, permits and approvals required or desirable for construction and use of the Improvements.

(d) Brokerage Commissions. Borrower will not knowingly engage in any activity or enter into any relationship which will give rise to any loan or brokerage commission with regard to the Loan, and Borrower will indemnify and hold County harmless from the claims of any broker(s) arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

(e) Financial Statements to be Furnished. Borrower shall furnish to the County:

(i) Upon the County's request, a complete and current financial statement of all assets and liabilities, contingent or otherwise, prepared in accordance with generally accepted accounting principles and verified by affidavit of Borrower and, at the request of the County, certified (in form satisfactory to the County) by an independent certified public accountant acceptable to the County;

(ii) within ninety (90) days after the end of each fiscal year of Borrower, a balance sheet and statements of income, surplus, and cash flow, together with schedules, all compiled and presented by an independent accounting firm in accordance with standard and uniform accounting practices showing the financial



condition of Borrower at the close of each year and the results of operations of Borrower during each year;

(iii) with the statements submitted under (ii) above, a certificate signed by the principal financial officer of Borrower to the effect that no Event of Default specified herein, nor any event which upon notice or lapse of time or both, would constitute such an Event of Default, has occurred which has not been cured or otherwise waived in writing by the Lender; and

(iv) promptly, from time to time, such other information regarding the operations, business, affairs and financial condition of Borrower as the County may reasonably request.

(f) Borrower to Maintain Bookkeeping System. Borrower shall, if required by the County, maintain a bookkeeping system to the construction project in form and content sufficient for the County and Inspector to conduct reviews, inspections, certifications and reports required by this Agreement. The County shall have full (but confidential) access, as allowed under the Public Records Law, at any reasonable time to the books, records and contracts pertaining to the Premises and Borrower.

(g) Insurance Proceeds. The Borrower shall keep the Premises continually insured in an amount not less than full insurable value of the Premises, which coverage shall insure the Premises against loss or damage by fire and by the perils covered by extended coverage and against such other hazards as the County, in its sole discretion, shall from time to time require, for the benefit of the County. All such insurance at all times will be in an insurance company or companies in such amounts and with terms acceptable to the County, with loss in excess of \$200,000.00, if any, payable to the County, as its interest may appear, pursuant to a non-contributory mortgagee clause which shall be reasonably satisfactory to the County; and forthwith upon the issuance of such policies they will deliver to the County copies of receipts for the premiums paid thereon and certificates of insurance and certified copies of such policies. Any policies furnished the County shall become its property in the event the County becomes the owner of the Premises by foreclosure or otherwise. Subject to the provisions of the First Mortgage, should a loss be incurred, equal to or in excess of fifty percent (50%) of the full insurable value of the Premises, then in such event, County and Borrower may jointly elect to use the proceeds for the reconstruction and repair of the Premises or, in the alternative, to apply the net proceeds to the payment of the indebtedness hereby secured, whether then due or not.

(h) Indebtedness. With respect to the Premises encumbered by the Borrower of even date herewith, Borrower will not incur, create, assume or permit to exist any indebtedness, except in the ordinary course of business constituting the deferred purchase price of any property or assets, or any indebtedness or liability evidenced by notes, bonds, debentures or similar obligations without the written approval of the County, which approval shall not be unreasonably withheld or delayed, except indebtedness owed the County and the aforementioned First Mortgage; provided however, that the First Mortgage shall not exceed the amounts set forth in Section 5.1 thereof.

(i) Further Assurances and Preservation of Security. Borrower will do all acts and execute all documents for the better and more effective carrying out of the intent and purposes of this Loan Agreement, as the County shall reasonably require from time to time, and will do such other acts necessary or desirable to preserve and protect the collateral at any time securing or intending to secure the Note, as the County may reasonably require.

(j) No Assignment. Borrower shall not assign this Loan Agreement or any interest therein and any such assignment is void and of no effect.

11. INSPECTIONS. Borrower will permit County, or its representatives to enter upon the Premises during normal business hours, inspecting Improvements and all materials to be used in the construction thereof, and to examine all details, plans and shop drawings which are kept at the construction site, and will cooperate, and cause

Borrower's general contractor and subcontractors to cooperate with the County's representative.

12. DEFAULT. The following events shall be deemed Events of Default:

(a) Bankruptcy. If there is filed by or against Borrower a petition in bankruptcy or a petition for the appointment of a receiver or trustee of the property of Borrower and any such petition not filed by Borrower is not dismissed within sixty (60) days of the date of filing, or if Borrower files a petition for reorganization under any of the provisions of the Bankruptcy Code or of any assignment for the benefit of creditors or makes any insolvency assignment or is adjusted insolvent by any court of competent jurisdiction; or

(b) Breach of Covenants, Warranties and Representations. If any warranty or representation made by Borrower in this Loan Agreement or in any other Loan Document shall at any time be false or misleading in any material respect, or if Borrower shall fail to keep, observe or perform any of the material terms, covenants, representations or warranties contained in this Loan Agreement, the Note, the Mortgage, the Loan Documents, and any other document given in connection with the Loan or development of the Improvement (provided, that with respect to non-monetary defaults, the County shall give written notice to Borrower, who shall have thirty (30) days to cure), or is unwilling to meet its obligations thereunder; or

(c) Material Adverse Change of Borrower. If any material adverse change shall occur in the financial condition of Borrower at any time during the term of the Loan from the financial condition revealed in statements already presented to and accepted by the County; or

(d) Borrower shall fail to use all funds under this loan agreement for costs associated with the construction of the Premises by December 31, 2009. In the event Borrower fails to use all funds by December 31, 2009, all remaining funds shall revert to the County and the County may reallocate for other projects or needs, unless written agreement to the contrary has been executed by the Parties.

(e) Borrower shall fail to complete construction of the Improvements and secure a Certificate of Occupancy for the Improvements by December 31, 2009, unless written agreement to the contrary has been executed by the Parties.

(f) Borrower shall default under the First Mortgage which is not cured within applicable cure periods.

13. REMEDIES OF LENDER. Upon the happening of an Event of Default, which default is not cured within any applicable cure or grace period, then the County may, subject to the terms of the Subordination Agreement (as defined herein), at its option, upon written notice to Borrower:

(a) Cancel this Loan Agreement;

(b) Commence an appropriate legal or equitable action to enforce performance of this Loan Agreement;

(c) Accelerate the payment of the Note and any other sums secured by the Mortgage, and commence appropriate legal and equitable action to foreclose the Mortgage and collect all such amounts due the County;

(d) Exercise any other rights or remedies the County may have under the Mortgage or other Loan Documents executed in connection with the Loan or which may be available under applicable law.

14. GENERAL TERMS. The following shall be applicable throughout the period of this Agreement or thereafter as provided herein:

(a) Rights of Third Parties. All conditions of the County hereunder are imposed solely and exclusively for the benefit of the County and its successors and assigns, and no other person shall have standing to require satisfaction of such

conditions or be entitled to assume that the County will make Disbursements in the absence of strict compliance with any or all thereof, and no other person shall, under any circumstances, be deemed to be a beneficiary of this Loan Agreement or the Loan Documents, any provisions of which may be freely waived in whole or in part by the County at any time if, in its sole discretion, it deems it desirable to do so. In particular, the County makes no representations and assumes no duties or obligations as to third parties concerning the quality of the construction by Borrower of the Improvements or the absence therefrom of defects.

(b) Borrower is not the County's Agent. Nothing in this Agreement, the Note, the Mortgager or any other Loan Document shall be construed to make the Borrower the County's agent for any purpose whatsoever, or the Borrower and the County partners, or joint or co-venturers, and the relationship of the parties shall, at all times, be that of debtor and creditor.

(c) The County Not Liable for Damage or Loss. All inspections and other services rendered by or on behalf of the County pursuant to this Loan Agreement shall be rendered solely for the protection and benefit of the County. Neither Borrower nor other third persons shall be entitled to claim any loss or damage against the County or against its agents or employees for failure to properly conduct inspections and other such services contemplated by this Loan Agreement.

(d) The County Not Obligated to Insure Proper Disbursement of Funds to Third Parties. Nothing contained in this Agreement, or any Loan documents, shall impose upon the County any obligation to oversee the proper use or application of any disbursements and disbursements of funds made hereunder so long as disbursements are made to Borrower.

(e) Indemnification from Third Party Claims. Borrower shall indemnify and hold County harmless from any liability, claims or losses resulting from the disbursement of the Loan proceeds to Borrower or from the condition of the Premises, whether related to the quality of construction or otherwise, and whether arising during or after the term of the Loan, except any liability due to the gross negligence or willful misconduct of County. This provision shall survive the repayment of the Loan and shall continue in a full force and effect so long as the possibility of such liability, claims, or losses exists.

(f) Rights of Subcontractors, Laborers and Materialmen. In no event shall this Agreement be construed to make the County, Title Company or agent of the County liable to Borrower's Contractor or any subcontractors, laborers, materialmen, craftsmen, or others for labor, materials, or services delivered to the Premises or goods specially fabricated for incorporation therein, or for debts or liens accruing or arising to such persons or parties against Borrower or Borrower's Contractor. It is distinctly understood and agreed that there is no relation of any type whatsoever, contractual or otherwise, whether express or implied, between the County and Borrower's Contractor, any materialman, subcontractor, craftsman, laborer or any other person or entity supplying any labor, materials or services to the Premises or specially fabricating goods to be incorporated therein. Except as otherwise specifically provided herein, no such person or entities are intended to be third party beneficiaries of this Agreement or any document or instrument related to the Loan or to have any claim or claims in or to any undisbursed or retained Loan proceeds.

(g) Evidence of Satisfaction of Conditions. The County shall, at all time, be free independently to establish to its good faith and satisfaction, and in its absolute discretion, the existence or nonexistence of a fact of facts which are disclosed in documents or other evidence required by the terms of this Agreement.

(h) Headings. The headings of the sections, paragraphs and subdivisions of this Agreement are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.

(i) Invalid Provisions to Affect No Others. If performance of any provision hereof or any transaction related hereto is limited by law, then the obligation to be

performed shall be reduced accordingly; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Agreement in part, then the invalid part of said clause or provision only shall be held for naught, as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

(j) Application of Interest to Reduce Principal Sums Due. In the event that any charge, interest or late charge is above the maximum rate provided by law, then any excess amount over the lawful rate shall be applied by the County to reduce the principal sum of the Loan or any other amounts due the County hereunder.

(k) Governing Law. The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement and the venue shall be in Palm Beach County.

(l) Number and Gender. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the others and shall apply jointly and severally.

(m) Agreement. This Loan Agreement constitutes the entire understanding and agreement between the parties with respect the subject matter hereof and may not be modified or amended, except in writing and signed by all parties hereto.

(n) Waiver. If the County shall waive any provisions of the Loan Documents, or shall fail to enforce any of the conditions or provisions of this Loan Agreement, such waiver shall not be deemed to be a continuing waiver and shall never be construed as such; and the County shall thereafter have the right to insist upon the enforcement of such conditions or provisions. Furthermore, no provision of this Agreement shall be amended, waived, modified, discharged or terminated, except by instrument in writing signed by the parties hereto.

(o) Notices. All notice from the Borrower to the County and the County to Borrower required or permitted by any provision of this agreement shall be in writing and sent by registered or certified mail and addressed as follows:

TO LENDER: Board of County Commissioners  
c/o Palm Beach County Attorney's Office  
301 N. Olive Avenue, Suite 601  
West Palm Beach, FL 33401

TO BORROWER: McCurdy Center, Ltd.  
534 Datura Street  
West Palm Beach, FL 33401  
Attn: Joseph Glucksman, President of General Partner

Such addresses may be changed by written notice to the other party.

(p) Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the parties hereto and their heirs, legal representatives, successors and assigns; but nothing herein shall authorize the assignment hereof by the Borrower.

(q) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.

(r) Waiver of Jury Trial. BORROWER AND COUNTY WAIVES THEIR RIGHT TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THIS LOAN OR GRANT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE COUNTY'S EXTENDING CREDIT TO BORROWER AND NO WAIVER OR LIMITATION OF THE COUNTY'S RIGHTS UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON THE COUNTY'S BEHALF.

15. SUBORDINATION. Lender hereby approves the First Mortgage provided that it does not exceed the amounts set forth in Section 5.1 thereof and further agrees

to subordinate this Loan Agreement, the Mortgage, the Note, and all other Loan Documents to such First Mortgage, pursuant to the terms of that certain Subordination Agreement by and among Borrower, the County and First Mortgagee (the "Subordination Agreement"). The Chairperson of the Board of County Commissioners of Palm Beach County and the Clerk of the Court for Palm Beach County, are hereby authorized to execute subordination agreements required herein without further approval of the Board of County Commissioners of Palm Beach County, Florida, provided such documents are in a form acceptable to the County Attorney. Nothing contained herein shall, however, relieve the Borrower from its obligation to make payments under the Note in accordance with its terms.

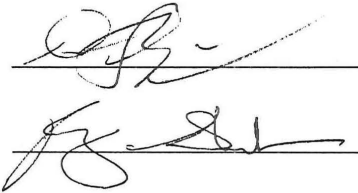
16. NONRECOURSE. ANYTHING CONTAINED HEREIN TO THE CONTRARY NOTWITHSTANDING, IN THE EVENT OF ANY DEFAULT BY THE BORROWER UNDER THE LOAN REFERENCED HEREIN, THE SOLE REMEDY OF THE LENDER SHALL BE TO FORECLOSE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THIS LOAN, AND IN NO EVENT SHALL THE BORROWER OR ANY OF ITS PARTNERS HAVE ANY LIABILITY FOR THE PAYMENT OF THE LOAN OR ANY OTHER OBLIGATIONS REFERENCED HEREIN, OR FOR THE PAYMENT OF ANY DEFICIENCY FOLLOWING THE FORECLOSURE AGAINST THE PROPERTY GIVEN AS SECURITY FOR THE LOAN.

17. EFFECTIVE DATE OF AGREEMENT. This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners. The Effective Date shall be the date on which this Loan Agreement is executed by the Board of County Commissioners.

(Remainder of page was left blank intentionally)

IN WITNESS WHEREOF, Borrower and the County have caused this Agreement to be executed on the date first above written.

Signed, sealed and delivered  
in the presence of:



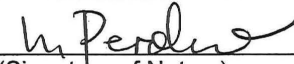
MCCURDY CENTER, LTD.,  
a Florida limited partnership

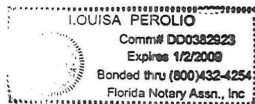
By: MCCURDY CENTER, GP, INC.,  
a Florida corporation,  
Its sole General Partner

By:   
Joseph Glucksman, President

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 9th day of December, 2008 by Joseph Glucksman, President of McCurdy Center GP, Inc., a Florida corporation, the sole general partner of McCurdy Center Ltd., a Florida limited partnership, on behalf of the corporation and the limited partnership. Said person is personally known to me or who has produced FLDL# identification and who did/did not take an oath. G425497523800

  
(Signature of Notary)



LOUISA PEROLIO  
(Typed, Printed, or Stamped Name of Notary)

My Commission Expires: 1/2/2009

R2009.0100 JAN 13 2009

ATTEST:

SHARON R. BOCK  
CLERK & COMPTROLLER

BY:   
Deputy Clerk




PALM BEACH COUNTY, FLORIDA,  
a political subdivision of the State of  
Florida,  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

BY:   
John F. Koons, Chairman

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

BY:   
County Attorney

APPROVED AS TO TERMS AND  
CONDITIONS

BY: 



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Tracks A, B, C, G and H of the Plat of Belle Glade ALF, recorded in Plat Book III, at Page 47 of the Public Records of Palm Beach County, Florida.