

WHEN RECORDED MAIL TO:

Citibank, N.A.
Transaction Management Group/Post Closing
388 Greenwich Street, 8th Floor
New York, New York 10013
Attention: Tanya Jimenez
Re: Moda Meadowbrook Apartments Deal ID No. 24806
CT-95288-AF
TIN 15-36-477-040

12685645
12/22/2017 3:41:00 PM \$75.00
Book - 10632 Pg - 8143-8175
ADAM GARDINER
Recorder, Salt Lake County, UT
COTTONWOOD TITLE
BY: eCASH, DEPUTY - EF 33 P.

SUBORDINATION AND INTERCREDITOR AGREEMENT
(HOME)

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THIS SUBORDINATION AND INTERCREDITOR AGREEMENT (this “**Agreement**”) dated as of December 1, 2017, is made by and among **JF MEADOWBROOK MEMBER, LLC**, a Utah limited liability company (“**Member**”), **SALT LAKE COUNTY**, a body corporate and politic of the State of Utah (“**County**” and collectively with Member, the “**Junior Lender**”) and **CITIBANK, N.A.**, a national banking association (“**Senior Lender**”) and acknowledged by **JF MEADOWBROOK PARTNERS, LLC**, a Utah limited liability company (“**Borrower**”). The date of this Agreement as set forth above is for reference purposes only, and this Agreement will not be effective and binding until the Closing Date (as defined in the Borrower Loan Agreement).

RECITALS:

A. Borrower has applied to the Utah Housing Corporation, an independent body politic and corporate constituting a public corporation, organized and existing under the laws of the State of Utah (“**Governmental Lender**”), for a loan (the “**Borrower Loan**”) for the acquisition, construction, development, equipping and/or operation of a 145-unit multifamily residential project located in the City of Millcreek, Salt Lake County, Utah, known or to be known as Moda Meadowbrook Apartments (the “**Property**”).

B. The Borrower Loan is evidenced by (i) that certain Multifamily Note, dated as of the Closing Date, in the maximum principal amount of \$22,000,000 made by Borrower payable to the order of Governmental Lender (as the same may from time to time be extended, consolidated, substituted for, modified, increased, amended and supplemented, the “**Borrower Loan Note**”) and (ii) that certain Borrower Loan Agreement, dated as of the date hereof, by and between Borrower and Governmental Lender (the “**Borrower Loan Agreement**”).

C. The Borrower Loan is secured by, among other things, that certain Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, dated as of the date hereof, executed by Borrower for the benefit of Governmental Lender (as the same may from time to time be extended, consolidated, substituted for, modified, increased, amended and supplemented, “**Borrower Loan Security Instrument**”), which Senior Security Instrument recorded concurrently herewith in Salt Lake County, Utah (“**Official Records**”) encumbers the Property.

D. Borrower requested that Senior Lender enter into that certain Funding Loan Agreement, dated as of the date hereof, by and among Governmental Lender, U.S. Bank National Association, a national banking association, as fiscal agent, and Senior Lender, pursuant to which Senior Lender will make a loan to Governmental Lender (the “**Funding Loan**”), the proceeds of which will be used to make the Borrower Loan to Borrower pursuant to the Borrower Loan Agreement.

E. The Borrower Loan Note, the Borrower Loan Security Instrument and the Borrower Loan Agreement have each been assigned by Governmental Lender to Senior Lender to secure the Funding Loan. The Borrower and Senior Lender have entered into that certain

Construction Funding Agreement dated as of the date hereof (the “**Construction Funding Agreement**”) regarding the manner in which the improvements at the Property will be completed and paid for.

F. In addition, Senior Lender has agreed to make a loan to Borrower in the principal amount of \$1,100,000 (the “**Citi Loan**”), which Citi Loan is evidenced by that certain Multifamily Construction Note dated as of the Closing Date in the maximum principal amount of \$1,100,000 made by Borrower payable to the order of Senior Lender (the “**Citi Loan Note**”) and that certain Construction Loan Agreement dated as of the date hereof between Borrower and Senior Lender (the “**Citi Loan Agreement**”).

G. The Citi Loan is secured by, among other things, that certain Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date hereof executed by Borrower for the benefit of Senior Lender (the “**Citi Loan Security Instrument**”; together with the Citi Loan Note, the Citi Loan Agreement and all other documents executed in connection with the Citi Loan, including this Agreement, the “**Citi Loan Documents**”), which Citi Loan Security Instrument encumbers the Mortgaged Property.

H. As used herein, the term “**Senior Loan**” means, collectively, the Borrower Loan and the Citi Loan; the term “**Loan Agreement**” means, collectively, the Borrower Loan Agreement, the and the Citi Loan Agreement; the term “**Senior Note**” means, collectively, the Borrower Loan Note and the Citi Loan Note; the term “**Senior Security Instrument**” means, collectively, the Borrower Loan Security Instrument and the Citi Loan Security Instrument; and the term “**Senior Loan Documents**” means, collectively, the Borrower Loan Documents and the Citi Loan Documents.

I. County is making a loan (the “**Junior County Loan**”) to Member in the original principal amount of \$500,000, which Junior Loan is evidenced by that certain Secured Promissory Note, dated as of December 1, 2017, made by Member to County (the “**Junior Member Note**”) and secured by, the Junior Security Instrument (as hereinafter defined) encumbering the Property, and will be advanced to Member pursuant to that certain Developer Subgrant Agreement for the Conduct of a HOME Investment Partnerships Program (the “**Junior Loan Agreement**”), dated as of December 1, 2017, by and among County, Borrower and Member.

J. Member is making a loan (the “**Junior Member Loan**” and collectively with the Junior County Loan, the “**Junior Loan**”) to Borrower in the original principal amount of \$500,000, which Junior Loan is evidenced by that certain Secured Promissory Note, dated as of December 1, 2017, made by Borrower to Member (the “**Junior Borrower Note**”, and collectively with the Junior Member Note, the “**Junior Note**”) and secured by, the Junior Security Instrument (as hereinafter defined) encumbering the Property, and will be advanced to Borrower pursuant to the Junior Loan Agreement.

K. As a condition to the making of the Senior Loan, Senior Lender requires that Junior Lender execute and deliver this Agreement prior to the making of the Junior Loan and the granting of the Junior Security Instrument by Borrower.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce the making of the Senior Loan and to induce Senior Lender to consent to the Junior Loan and the Junior Security Instrument, Junior Lender hereby agrees as follows:

1. **Definitions.** Capitalized terms used but not defined in this Agreement shall have the meanings ascribed thereto in the Senior Security Instrument. As used in this Agreement, the terms set forth below shall have the respective meanings indicated:

“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.

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

“Condemnation” means any proposed or actual condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Property, whether direct or indirect.

“Enforcement Action” means any exercise of any of Junior Lender’s remedies under the Junior Security Instrument or any of the other Junior Loan Documents, including, without limitation, any of the following: (i) the acceleration of all or any part of the Junior Indebtedness, (ii) the commencement of any judicial or non-judicial action of proceeding to enforce any obligation of Borrower under any of the Junior Loan Documents, collect any monies payable to Borrower or have a receiver appointed to collect any monies payable to Borrower, or foreclose the lien(s) created by the Junior Security Instrument, (iii) the filing or joining in the filing of any involuntary Bankruptcy Proceeding against Borrower or any person or entity which owns a direct or indirect interest in Borrower, (iv) the advertising of or commencement of any foreclosure or trustee’s sale proceedings, (v) the exercise of any power of sale, (vi) the acceptance of a deed or assignment in lieu of foreclosure or sale, (vii) the collecting of Rents, (viii) the obtaining of or seeking of the appointment of a receiver, (ix) the seeking of default interest, (x) the taking of possession or control of any of the Property, (xi) the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the Junior Note or any other of the Junior Loan Documents, (xii) the exercising of any banker’s lien or rights of set-off or recoupment, or (xiii) the taking of any other enforcement action against Borrower, any other party liable for any of the Junior Indebtedness or obligated under any of the Junior Loan Documents, or the Property.

“Enforcement Action Notice” means a written notice from Junior Lender to Senior Lender, given following a Junior Loan Default and the expiration of any notice or cure periods provided for such Junior Loan Default in the Junior Loan Documents, setting forth in reasonable detail the Enforcement Action proposed to be taken by Junior Lender.

“*Junior Indebtedness*” means all indebtedness of any kind at any time evidenced or secured by, or arising under, the Junior Loan Documents, whether incurred, arising or accruing before or after the filing of any Bankruptcy Proceeding.

“*Junior Loan 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 Junior Security Instrument.

“*Junior Loan Documents*” means, collectively, the Junior Member Note, the Junior Borrower Note, the Junior Security Instrument, the Junior Loan Agreement, that certain Deed Restriction, dated as of December 1, 2017, by Borrower and Member for the benefit of County and all other documents evidencing, securing or delivered in connection with the Junior Loan, all of which are listed on Exhibit B attached hereto, together with such modifications, amendments and supplements thereto as are approved in writing by Senior Lender prior to their execution.

“*Junior Security Instrument*” means that certain Deed of Trust dated as of December 1, 2017, made by Borrower for the benefit of Junior Lender, as the same may from time to time be extended, consolidated, substituted for, modified, amended or supplemented upon receipt of the consent of Senior Lender.

“*Loan Agreement*” means that certain Construction Funding Agreement, dated as of the date hereof, by and between Borrower and Senior Lender relating to the Senior Loan.

“*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.

“*Property*” means (i) the land and improvements known or to be known as Moda Meadowbrook Apartments, located in the City of Millcreek, Salt Lake County, State of Utah, which Property is more particularly described on Exhibit A attached hereto, and (ii) all furniture, fixtures and equipment located at such apartments and other property, accounts, deposits and rights and interests of Borrower encumbered by the Senior Security Instrument and/or the other Senior Loan Documents.

“*Senior Indebtedness*” means all indebtedness of any kind at any time evidenced or secured by, or arising under, the Senior Loan Documents, whether incurred, arising or accruing before or after the filing of any Bankruptcy Proceeding.

“*Senior Loan Documents*” means, collectively, the Senior Security Instrument, the Senior Note, the Loan Agreement and all of the other documents, instruments and agreements now or hereafter evidencing, securing or otherwise executed in connection with the Senior Loan, as the same may from time to time be extended, consolidated, substituted for, modified, increased, amended and supplemented in accordance with the provisions of this Agreement.

“*Senior Loan 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 Senior Security Instrument.

2. Junior Loan and Junior Loan Documents are Subordinate; Acts by Senior Lender do not Affect Subordination.

(a) Junior Lender hereby covenants and agrees on behalf of itself and its successors and permitted assigns that the Junior Indebtedness is and shall at all times continue to be, subordinate, subject and inferior (in payment and priority) to the prior payment in full of the Senior Indebtedness, and that the liens, rights, payment interests, priority interests and security interests granted to Junior Lender in connection with the Junior Loan and under the Junior Loan Documents are, and are hereby expressly acknowledged to be in all respects and at all times, subject, subordinate and inferior in all respects to the liens, rights, payment, priority and security interests granted to Senior Lender under the Senior Loan and the Senior Loan Documents and the terms, covenants, conditions, operations and effects thereof.

(b) Except as expressly set forth herein, repayment of the Junior Indebtedness, is and shall be postponed and subordinated to repayment in full of the Senior Loan. Prior to a Senior Loan Default (regardless of whether such Senior Loan Default occurs prior to or during the pendency of a Bankruptcy Proceeding), Junior Lender shall be entitled to receive and retain payments made pursuant to and in accordance with the terms of the Junior Loan Documents; provided, however, that no such payment is made more than ten (10) days in advance of the due date thereof. Junior Lender agrees that from and after such time as it has received from either Senior Lender or Borrower written notice that a Senior Loan Default then exists (which has not been expressly waived in writing by Senior Lender) or otherwise has actual knowledge of such a Senior Loan Default, Junior Lender shall not receive or accept any payments under the Junior Loan. If (i) Junior Lender receives any payment, property, or asset of any kind or in any form on account of the Junior Indebtedness (including, without limitation, any proceeds from any Enforcement Action) after a Senior Loan Default of which Junior Lender has actual knowledge or has been given notice of, or (ii) Junior Lender receives, voluntarily or involuntarily, by operation of law or otherwise, any payment, property, or asset in or in connection with any Bankruptcy Proceeding, such payment, property, or asset will be received and held in trust for Senior Lender. Junior Lender will promptly remit, in kind and properly endorsed as necessary, all such payments, properties, and assets to Senior Lender. Senior Lender shall apply any payment, asset, or property so received from Junior 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 shall determine in its sole and absolute discretion.

(c) Without limiting the complete subordination of the Junior Indebtedness to the payment in full of the Senior Indebtedness, in any Bankruptcy Proceeding, upon any payment or distribution (whether in cash, property, securities, or otherwise) to creditors (i) the Senior Indebtedness shall first be paid in full in cash before Junior Lender shall be entitled to receive any payment or other distribution on account of or in respect of the Junior Indebtedness, and (ii) until all of the Senior Indebtedness is paid in full in cash, any payment or distribution to which Junior Lender would be entitled but for this Agreement (whether in cash, property, or other assets) shall be made to Senior Lender.

(d) The subordination of the Junior Indebtedness shall continue in the event that any payment under the Senior Loan Documents (whether by or on behalf of Borrower, as proceeds of security or enforcement of any right of set-off or otherwise) is for any reason repaid or returned to Borrower or its insolvent estate, or avoided, set aside or required to be paid to Borrower, a trustee, receiver or other similar party under any bankruptcy, insolvency, receivership or similar law. In such event, the Senior Indebtedness or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding to the extent of any repayment, return, or other action, as if such payment on account of the Senior Indebtedness had not been made.

(e) The subordination of the Junior Loan Documents and of the Junior Indebtedness shall apply and continue notwithstanding (i) the actual date and time of execution, delivery, recording, filing or perfection of the Senior Security Instrument and other Senior Loan Documents and of the Junior Security Instrument and other Junior Loan Documents, and (ii) the availability of any collateral to Senior Lender, including the availability of any collateral other than the Property.

(f) By reason of, and without in any way limiting, the full subordination of the Junior Indebtedness and the Junior Loan Documents provided for in this Agreement, all rights and claims of Junior Lender under the Junior Security Instrument or under the Junior Loan Documents in or to the Property or any portion thereof, the proceeds thereof, the Leases thereof, the Rents, issues and profits therefrom, and the Loss Proceeds payable with respect thereto, are expressly subject and subordinate in all respects to the rights and claims of Senior Lender under the Senior Loan Documents in and to the Property or any portion thereof, the proceeds thereof, the Leases thereof, the Rents, issues and profits therefrom, and the Loss Proceeds payable with respect thereto.

(g) If Junior Lender, by indemnification, subrogation or otherwise, shall acquire any lien, estate, right or other interest in any of the Property, that lien, estate, right or other interest shall 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 Junior Indebtedness and the Junior Loan Documents are subordinate pursuant to this Agreement.

(h) In confirmation, and not as a condition, of the subordination of the Junior Indebtedness and the Junior Loan Documents provided for in this Agreement, Junior Lender shall place on or attach to the Junior Note a notice to the following effect, and shall provide Senior Lender with a copy of the Junior Note showing such notice:

“The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of all amounts then due and payable (including, but not limited to, all amounts due and payable by virtue of any default or acceleration or upon maturity) with respect to the indebtedness evidenced by the Note (as defined by that certain Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing by the Borrower in favor of Utah Housing Corporation and assigned to Citibank, N.A.), in the original maximum principal amount of

\$22,000,000, executed by Borrower and payable to Citibank, N.A. (“Senior Lender”) and that certain Multifamily Construction Note in the maximum principal amount of \$1,100,000 to be executed by Borrower and payable to Senior Lender, to the extent and in the manner provided in that certain Subordination and Intercreditor Agreement, dated as of December 1, 2017, between Senior Lender and the holder of this Note (the “Subordination Agreement”). The rights and remedies of the payee and each subsequent holder of this Note shall be deemed, by virtue of such holder’s acquisition of this Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the “Junior Lender” under the Subordination Agreement.”

(i) Junior Lender hereby acknowledges and agrees that Senior Lender may, without the consent or approval of Junior Lender, agree with Borrower to extend, consolidate, modify, increase or amend any or all the Senior Loan Documents and otherwise act or fail to act with respect to any matter set forth in any Senior Loan Document (including, without limitation, the exercise of any rights or remedies, waiver, forbearance or delay in enforcing any rights or remedies, the declaration of acceleration, the declaration of defaults or events of default, the release, in whole or in part, of any collateral or other property, and any consent, approval or waiver), and all such extensions, consolidations, modifications, amendments acts and omissions shall not release, impair or otherwise affect Junior Lender’s obligations and agreements hereunder.

3. Junior Lender Agreements.

(a) Without the prior written consent of Senior Lender in each instance, Junior Lender shall not (i) amend, modify, waive, extend, renew or replace any provision of any of the Junior Loan Documents, or (ii) pledge, assign, transfer, convey, or sell any interest in the Junior Indebtedness or any of the Junior Loan Documents; or (iii) accept any payment on account of the Junior Indebtedness other than a regularly scheduled payment of interest or principal and interest made not earlier than ten (10) days prior to the due date thereof; or (iv) take any action which has the effect of increasing the Junior Indebtedness; or (v) appear in, defend or bring any action in connection with the Property, except as to the enforcement of the Deed Restrictions as allowed herein; or (vi) take any action concerning environmental matters affecting the Property. Regardless of any contrary provision in the Junior Loan Documents, Junior Lender shall not collect payments for the purpose of escrowing for any cost or expense related to the Property or for any portion of the Junior Indebtedness.

(b) Junior Lender hereby agrees that Senior Lender may, at its option (but without any obligation to do so), at any time (including during the pendency of a Bankruptcy Proceeding), purchase the Junior Loan at par (and without liability for any prepayment premiums or liquidated damages set forth in the Junior Loan Documents). Such transfer and assignment of the Junior Loan shall be without representation or recourse, except that Junior Lender shall represent that it is the sole holder of the Junior Loan, that it has authority to assign and convey the Junior Loan Documents, that, to the best of its knowledge, there are no defaults or breaches under the Junior Loan

Documents, and as to the total amount then outstanding under the Junior Loan. Junior Lender shall give Senior Lender a concurrent copy of each notice of a Junior Loan Default, Enforcement Action Notice or other material notice given by Junior Lender under the Junior Loan Documents. Notwithstanding any contrary provision in the Junior Loan Documents, Senior Lender shall have the right, but shall not have any obligation, to cure any Junior Loan Default until ninety (90) days following Senior Lender's receipt of an Enforcement Action Notice given by Junior Lender as a consequence of the Junior Loan Default. Senior Lender shall not be subrogated to the rights of Junior Lender under the Junior Loan Documents by reason of Senior Lender having cured any Junior Loan Default. However, Junior Lender acknowledges that all amounts advanced or expended by Senior Lender to cure a Junior Loan Default shall be added to and become a part of the Senior Indebtedness pursuant to the terms of the Senior Security Instrument.

(c) In the event and to the extent that each of Senior Lender and Junior Lender have under their respective loan documents certain approval or consent rights over the same subject matters (regardless of whether the obligations or rights are identical or substantially identical), Junior Lender agrees that Senior Lender shall exercise such approval rights on behalf of both Senior Lender and Junior Lender, and Junior Lender shall have no right to object to any such action or approval taken by Senior Lender and shall consent thereto and be bound thereby. Without limiting the generality of the foregoing, Senior Lender shall have all approval, consent and oversight rights in connection with any insurance claims relating to the Property, any decisions regarding the use of insurance proceeds after a casualty loss or condemnation awards, the hiring or firing of property managers, or otherwise related in any way to the Property, and Junior Lender shall have no right to object to any such action or approval taken by Senior Lender and shall consent thereto and be bound thereby.

(d) Junior Lender agrees that in any action commenced to enforce the obligation of Borrower to pay any portion of the Junior Indebtedness, the judgment shall not be enforceable personally against Borrower or Borrower's assets, and the recourse of Junior Lender for the collection of the Junior Indebtedness shall be limited to actions against the Property and the rents, profits, issues, products, and income from the Property.

(e) Junior Lender shall not commence or join with any other creditor in commencing any Bankruptcy Proceeding involving Borrower, and Junior Lender shall not initiate and shall not be a party to any action, motion or request, in a Bankruptcy Proceeding involving any other person or entity, which seeks the consolidation of some or all of the assets of Borrower into such Bankruptcy Proceeding. In the event of any Bankruptcy Proceeding relating to Borrower or the Property or, in the event of any Bankruptcy Proceeding relating to any other person or entity into which (notwithstanding the covenant in the first sentence of this clause) the assets or interests of Borrower are consolidated, then in either event, the Senior Loan shall first be paid in full before Junior Lender shall be entitled to receive and retain any payment or distribution in respect to the Junior Loan. Junior Lender agrees that (i) Senior Lender shall receive all payments and distributions of every kind or character in respect of the Junior Loan to which Junior Lender would otherwise be entitled, but for the subordination provisions of this

Agreement (including without limitation, any payments or distributions during the pendency of a Bankruptcy Proceeding involving Borrower or the Property), and (ii) the subordination of the Junior Loan and the Junior Loan Documents shall not be affected in any way by Senior Lender electing, under Section 1111(b) of the federal bankruptcy code, to have its claim treated as being a fully secured claim. In addition, Junior Lender hereby covenants and agrees that, in connection with a Bankruptcy Proceeding involving Borrower, neither Junior Lender nor any of its affiliates shall (i) make or participate in a loan facility to or for the benefit of Borrower on a basis that is senior to or pari passu with the liens and interests held by Senior Lender pursuant to the Senior Loan Documents, (ii) not vote affirmatively in favor of any plan of reorganization or liquidation unless Senior Lender has also voted affirmatively in favor of such plan, and (iii) not contest the continued accrual of interest on the Senior Indebtedness, in accordance with and at the rates specified in the Senior Loan Documents, both for periods before and for periods after the commencement of such Bankruptcy Proceedings. Junior Lender shall execute and deliver to Senior Lender powers of attorney, assignments or other instruments as may be requested by Senior Lender in order to enable it to exercise the above-described authority or powers with respect to any or all of the Junior Loan Documents, and to collect and receive any and all payments or distributions which may be payable or deliverable at any time upon or with respect to any of the Junior Loan Documents to Junior Lender.

(f) Junior Lender covenants and agrees that the effectiveness of this Agreement and the rights of Senior Lender hereunder shall be in no way impaired, affected, diminished or released by any renewal or extension of the time of payment of the Senior Loan, by any delay, forbearance, failure, neglect or refusal of Senior Lender in enforcing payment thereof or in enforcing the lien of or attempting to realize upon the Senior Loan Documents or any other security which may have been given or may hereafter be given for the Senior Loan, by any waiver or failure to exercise any right or remedy under the Senior Loan Documents, or by any other act or failure to act by Senior Lender. Junior Lender acknowledges that Senior Lender, at its sole option, may release all or any portion of the Property from the lien of the Senior Security Instrument, and may release or waive any guaranty, surety or indemnity providing additional collateral to Senior Lender, and Junior Lender hereby waives any legal or equitable right in respect of marshaling it might have, in connection with any release of all or any portion of the Property by Senior Lender, to require the separate sales of any portion of the Property or to require Senior Lender to exhaust its remedies against any portion of the Property or any other collateral before proceeding against any other portion of the Property or other collateral (including guarantees) for the Senior Loan. 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 Junior Lender. At any time or from time to time and any number of times, without notice to Junior Lender and without affecting the liability of Junior Lender, (a) the time for payment of the Senior Indebtedness may be extended or the Senior Indebtedness may be renewed in whole or in part; (b) the time for Borrower's performance of or compliance with any covenant or agreement contained in the Senior Loan Documents, whether presently existing or hereinafter entered into, may be extended or such performance or compliance may be waived; (c) the maturity of the Senior Indebtedness may be accelerated as

provided in the Senior Loan Documents; (d) any Senior Loan Document may be extended, consolidated, modified or amended by Senior Lender and Borrower in any respect, including, but not limited to, an increase in the principal amount; and (e) any security for the Senior Indebtedness may be modified, exchanged, surrendered or otherwise dealt with or additional security may be pledged or mortgaged for the Senior Indebtedness. If, after the occurrence of a Senior Loan Default, Senior Lender acquires title to any of the Property pursuant to a mortgage foreclosure conducted in accordance with applicable law, the lien, operation, and effect of the Junior Security Instrument and other Junior Loan Documents automatically shall terminate with respect to such Property upon Senior Lender's acquisition of title.

(g) Junior Lender acknowledges that it entered into the transactions contemplated by the Junior Loan Documents and made the Junior Loan to Borrower without reliance upon any information or advice from Senior Lender. Junior Lender made its own underwriting analysis in connection with the Junior Loan, its own credit review of Borrower, and investigated all matters pertinent, in Junior Lender's judgment, to its determination to make the Junior Loan to Borrower. Junior Lender acknowledges that it is a sophisticated, experienced commercial lender, and was represented by competent counsel in connection with this Agreement.

(h) Junior Lender hereby represents and warrants that, as of the date hereof, the entire proceeds of the Junior Loan have been disbursed to Borrower. Junior Lender hereby further represents and warrants that: (i) Junior Lender is now the owner and holder of the Junior Loan Documents; (ii) the Junior Loan Documents are now in full force and effect; (iii) the Junior Loan Documents have not been modified or amended; (iv) no default or event which, with the passing of time or giving of notice would constitute a default, under the Junior Loan Documents has occurred; (v) the current outstanding principal balance of the Junior Indebtedness is \$0; (vi) no scheduled monthly payments under the Junior Loan Documents have been or will be prepaid except with the prior written consent of Senior Lender; (vii) none of the rights of Junior Lender under any of the Junior Loan Documents are subject to the rights of any third parties, by way of subrogation, indemnification or otherwise; and (viii) there are no other Junior Loan Documents other than those listed on Exhibit B hereto. Borrower further represents and warrants that it has provided to Senior Lender a true, complete, and correct copy of all the Junior Loan Documents.

(i) Junior Lender hereby agrees that notwithstanding anything to the contrary in the Junior Loan Documents, for so long as the Senior Loan is outstanding, (i) the maturity date of the Junior Note shall occur no earlier than one (1) month after the maturity date of the Senior Note, and (ii) Borrower shall not be obligated to pay more than seventy-five percent (75%) of Excess Cash Flow (as defined herein) in payments under the Junior Note and under other debt subordinate to the Senior Loan. For the purposes hereof, the following definitions shall apply:

"Excess Cash Flow" shall mean, for any period, Gross Revenues for such period less the sum of (i) Expenses of the Property for such period, and (ii) without duplication, all amounts due on the Senior Loan Obligations for such period.

“Expenses of the Property” shall mean, for any period, the current expenses, paid or accrued, of operation, maintenance and current repair of the Property, as calculated in accordance with GAAP, and shall include, without limiting the generality of the foregoing, salaries, wages, employee benefits, cost of materials and supplies, costs of routine repairs, renewals, replacements and alterations occurring in the usual course of business, costs and expenses properly designated as capital expenditures (e.g. repairs which would not be payable from amounts on deposit in a repair and replacement fund held pursuant to the Loan Documents), a management fee (however characterized) not to exceed \$54,000, costs of billings and collections, costs of insurance, and costs of audits. Expenses of the Property shall not include any payments, however characterized, on account of the Junior Loan or any other subordinate financing in respect of the Property or other indebtedness, allowance for depreciation, amortization or other non-cash items, gains and losses or prepaid expenses not customarily prepaid.

“Gross Revenues” shall mean all receipts, revenues, income and other moneys received by or on behalf of Borrower and derived from the ownership or operation of the Property, and all rights to receive the same, whether in the form of accounts, accounts receivable, contract rights or other rights, and the proceeds of such rights, and whether now owned or held or hereafter coming into existence and proceeds received upon the foreclosure sale of the Property. Gross Revenues shall not include loan proceeds, equity or capital contributions, or tenant security deposits being held by Borrower in accordance with the applicable law.

“Senior Loan Obligations” shall mean and includes, collectively, and without limitation, each of the following: (A) all debt service payments due on the Senior Indebtedness, (B) all obligations of Borrower under the Senior Loan Documents, (C) all capital expenditures required for the proper maintenance of the Property in accordance with the Senior Loan Documents, as calculated by Borrower in accordance with customarily accepted cash basis accounting principles, consistently applied, and in accordance with the terms of the Senior Loan Documents; (D) all amounts required to be deposited into any replacement reserve, completion/repair reserve, operating deficit reserve, principal repayment reserve, replacement hedge reserve or other reserve or escrow established or required by Senior Lender or Servicer in connection with the Senior Loan and the Senior Loan Documents, including the Senior Security Instrument, and (E) all fees, costs and expenses of Senior Lender and Servicer in connection with the Senior Loan.

4. Standstill Agreement; Right to Cure Senior Loan Default.

(a) Until such time as any of the Senior Indebtedness has been repaid in full and the Senior Security Instrument has been released and discharged, Junior Lender shall not without the prior written consent of Senior Lender, which may be withheld in Senior Lender’s sole and absolute discretion, take any Enforcement Action, including, without limitation, (i) accelerate the Junior Loan, (ii) exercise any of Junior Lender’s remedies under the Junior Security Instrument or any of the other Junior Loan Documents (including, without limitation, the commencement of any judicial or non-judicial action of proceeding (a) to enforce any obligation of Borrower under any of the Junior Loan

Documents, (b) to collect any monies payable to Borrower, (c) to have a receiver appointed to collect any monies payable to Borrower; or (d) to foreclose the lien(s) created by the Junior Security Instrument) or (iii) file or join in the filing of any involuntary Bankruptcy Proceeding against Borrower or any person or entity which owns a direct or indirect interest in Borrower; provided, however, that such limitation on the remedies of Junior Lender shall not derogate or otherwise limit Junior Lender's rights, following an event of default under the Junior Loan Documents to (a) compute interest on all amounts due and payable under the Junior Loan at the default rate described in the Junior Loan Documents, (b) compute prepayment premiums and late charges, (c) enforce against any person, other than Borrower and any guarantors or indemnitors under the Senior Loan Documents, any guaranty of the obligations of Borrower under the Junior Loan, and (d) to enforce the Deed Restrictions.

(b) Senior Lender shall, simultaneously with the sending of any notice of a Senior Loan Default to Borrower, send to Junior Lender a copy of said notice under the Senior Loan Documents; provided, however, failure to do so shall not affect the validity of such notice or any obligation of Borrower to Senior Lender and shall not affect the relative priorities between the Senior Loan and the Junior Loan as set forth herein. Borrower covenants and agrees to forward to Junior Lender, within three (3) business days of Borrower's receipt thereof, a copy of any notice of a Senior Loan Default Borrower receives from Senior Lender.

(c) Junior Lender shall have the right, but shall have no obligation, to cure any Senior Loan Default; provided, if Junior Lender shall elect to cure any such Default, it shall so notify Senior Lender and shall commence and complete such curing within any applicable notice or grace period, if any, as Borrower is permitted by the terms of the Senior Loan Documents to cure such Senior Loan Default. Junior Lender shall not be subrogated to the rights of Senior Lender under the Senior Loan Documents by reason of Junior Lender having cured any Senior Loan Default. However, Senior Lender acknowledges that, to the extent so provided in the Junior Loan Documents, amounts advanced or expended by Junior Lender to cure a Senior Loan Default may be added to and become a part of the Junior Indebtedness.

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

(e) Junior Lender acknowledges that any conveyance or other transfer of title to the Property pursuant to a foreclosure of the Junior Security Instrument (including a conveyance or other transfer of title pursuant to the exercise of a power of sale contained in the Junior Security Instrument), or any deed or assignment in lieu of foreclosure or similar arrangement, shall be subject to the transfer provisions of the Senior Loan Documents; and the person (including Junior Lender) who acquires title to the Property pursuant to the foreclosure proceeding (or pursuant to the exercise of a power of sale contained in the Junior Security Instrument) shall not be deemed to be automatically approved by Senior Lender.

5. **Insurance.** Junior Lender agrees that all original policies of insurance required pursuant to the Senior Security Instrument shall be held by Senior Lender. The preceding sentence shall not preclude Junior Lender from requiring that it be named as a loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Property, provided such action does not affect the priority of payment of the proceeds of property damage insurance under the Senior Security Instrument, or that it be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Property.

6. **Default.** Junior Lender and Borrower acknowledge and agree that a default by either such party under this Agreement shall, at the sole option of Senior Lender, constitute a default under the Senior Loan Documents. Each party hereto acknowledges that in the event any party fails to comply with its obligations hereunder, the other parties shall 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. No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder.

7. **Enforcement Costs.** Borrower and Junior Lender agree to reimburse Senior Lender for any and all costs and expenses (including reasonable attorneys' fees) incurred by Senior Lender in connection with enforcing its rights against Junior Lender under this Agreement.

8. **Notices.** Any notice which any party hereto may be required or may desire to give hereunder shall be deemed to have been given and shall be effective only if it is in writing and (i) delivered personally, (ii) mailed, postage prepaid, by United State registered or certified mail, return receipts requested, (iii) delivered by overnight express courier or (iv) sent by telecopier, in each instance addressed as follows:

To Junior Lender: Salt Lake County
Attention Contracts and Procurement
2001 S State Street, S4-600
Salt Lake City, Utah 84190
Facsimile: (385) 468-0320

And to: Salt Lake County
2001 South State Street #S2-100
Salt Lake City, Utah 84190
Attention: Michael Gallegos, Director of Housing and
Community Development
Facsimile: (385) 468-4881

If to Senior Lender: Citibank, N.A.
388 Greenwich Street, 8th Floor
New York, New York 10013

Attention: Transaction Management Group
Re: Moda Meadowbrook Apartments Deal ID No. 24806
Facsimile: (212) 723-8209

With a copy to: Citibank, N.A.
325 East Hillcrest Drive, Suite 160
Thousand Oaks, California 91360
Attention: Operations Manager/Asset Manager
Re: Moda Meadowbrook Apartments Deal ID No. 24806
Facsimile: (805) 557-0924

Prior to the Conversion Date, with a copy to: Citibank, N.A.
388 Greenwich Street, 8th Floor
New York, New York 10013
Attention: Account Specialist
Re: Moda Meadowbrook Apartments Deal ID No. 24806
Facsimile: (212) 723-8209

Following the Conversion Date, with a copy to: Citibank N.A.
c/o Berkadia Commercial Servicing Department
323 Norristown Road, Suite 300
Ambler, Pennsylvania 19002
Attention: Client Relations Manager
Re: Moda Meadowbrook Apartments Deal ID No. 24806
Facsimile: (215) 328-0305

And a copy of any notices of default sent to: Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: General Counsel's Office
Re: Moda Meadowbrook Apartments Deal ID No. 24806
Facsimile: (646) 291-5754

or at such other addresses or to the attention of such other persons as may from time to time be designated by the party to be addressed by written notice to the other in the manner herein provided. Notices, demands and requests given in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder when received or when delivery is refused or when the same are returned to sender for failure to be called for.

9. WAIVER OF TRIAL BY JURY. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, EACH OF THE PARTIES HERETO (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL

BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

10. **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 Junior Loan Documents, other than by reason of payments which Junior Lender is obligated to remit to Senior Lender pursuant to the terms hereof; (iii) the acquisition by Senior Lender of title to the Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Senior Security Instrument; or (iv) the acquisition by Junior Lender of title to the Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Junior Security Instrument, but only if such acquisition of title does not violate any of the terms of this Agreement.

11. **Miscellaneous.**

(a) Junior Lender shall, within ten (10) business days following a request from Senior Lender, provide Senior Lender with a written statement setting forth the then current outstanding principal balance of the Junior Loan, the aggregate accrued and unpaid interest under the Junior Loan, and stating whether, to the knowledge of Junior Lender, any default or event of default exists under the Junior Loan, and containing such other information with respect to the Junior Indebtedness as Senior Lender may require. Upon notice from Senior Lender from time to time, Junior Lender shall execute and deliver such additional instruments and documents, and shall take such actions, as are required by Senior Lender in order to further evidence or effectuate the provisions and intent of this Agreement.

(b) This Agreement shall bind and inure to the benefit of all successors and assigns of Junior Lender and Senior Lender. Senior Lender may assign its interest in the Senior Loan Documents without notice to or consent of Junior Lender. Junior Lender may only assign its rights and interests hereunder following the prior written consent of Senior Lender, which consent may be withheld or conditioned in its sole and absolute discretion.

(c) Senior Lender hereby consents to the Junior Loan and the Junior Loan Documents; provided, however, that this Agreement does not constitute an approval by Senior Lender of the terms of the Junior Loan Documents. Junior Lender hereby consents to the Senior Loan and the Senior Loan Documents; provided, however, that this Agreement does not constitute an approval by Junior Lender of the terms of the Senior Loan Documents.

(d) This Agreement may be executed in multiple counterparts, each of which shall constitute an original document and all of which together shall constitute one agreement.

(e) IN ALL RESPECTS, INCLUDING, WITHOUT LIMITATION, MATTERS OF CONSTRUCTION AND PERFORMANCE OF THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER, THIS AGREEMENT HAS BEEN ENTERED INTO AND DELIVERED IN, AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY, THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED, WITHOUT GIVING EFFECT TO ANY PRINCIPLES OF CONFLICTS OF LAW.

(f) Time is of the essence in the performance of every covenant and agreement contained in this Agreement.

(g) If any provision or remedy set forth in this Agreement for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or remedy of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or remedy had never been set forth herein, but only to the extent of such invalidity, illegality or unenforceability.

(h) Each party hereto hereby represents and warrants that this Agreement has been duly authorized, executed and delivered by it and constitutes a legal, valid and binding agreement enforceable in all material respects in accordance with its terms.

(i) Borrower hereby acknowledges and consents to the execution of this Agreement, and agrees to be bound by the provisions hereof that are applicable to Borrower. Solely as between Senior Lender and Junior Lender, all of the signatories below hereby agree that to the extent of any conflict between the terms and provisions of this Agreement and the terms and provisions of the Senior Loan Documents and/or the Junior Loan Documents respectively, the terms and provisions of this Agreement shall govern and control. By executing this Agreement in the place provided below, Borrower hereby (i) acknowledges the provisions hereof, (ii) agrees not to take any action inconsistent with Senior Lender's rights or Junior Lender's rights under this Agreement, (iii) waives and relinquishes to the maximum extent permitted by law any and all rights, defenses and claims now existing or hereinafter accruing relating to Junior Lender's forbearance from exercising any rights and remedies pursuant to Section 4 of this Agreement, including, without limitation, any defenses based on the statute of limitations or any equitable defenses, such as laches, and (iv) acknowledges and agrees that (A) this Agreement is entered into for the sole protection and benefit of Senior Lender and Junior Lender (and their respective successors, assigns and participants), and no other person (including Borrower) shall have any benefits, rights or remedies under or by reason of this Agreement, (B) nothing in this Agreement is intended, or shall be construed to, relieve or discharge the obligations or liabilities of any third party (including Borrower under the Senior Loan Documents and the Junior Loan Documents), (c) neither of them nor any of their affiliates shall be, or be deemed to be, beneficiaries of any of the provisions hereof or have any rights hereunder whatsoever, and (D) no provision of this Agreement is intended to, or shall be construed to, give any such third party (including Borrower) any right subrogating to the rights of, or action against, Senior Lender or Junior Lender.

(j) No amendment, supplement, modification, waiver or termination of this Agreement shall be effective against any party unless such amendment, supplement, modification, waiver or termination is contained in a writing signed by such party.

(k) No party other than Senior Lender and Junior Lender shall have any rights under, or be deemed a beneficiary of any of the provisions of, this Agreement.

(l) Nothing herein or in any of the Senior Loan Documents or Junior Loan Documents shall be deemed to constitute Senior Lender as a joint venturer or partner of Junior Lender.

12. Disbursement Provisions.

(a) Junior Lender will disburse the proceeds of the Junior Loan (the "Junior Loan Proceeds") only in accordance with, and subject to the terms and conditions of, the budget, as approved by Senior Lender (the "Budget") and the Junior Loan Agreement. Senior Lender will approve disbursement of the proceeds of the Senior Loan and the Junior Loan only in accordance with, and subject to the terms and conditions of, the Budget and the Loan Agreement. Except as specifically provided herein, this Agreement does not amend, modify, waive or limit any provision, term or condition of the Junior Loan Documents or the Senior Loan Documents.

(b) Junior Lender agrees that Junior Lender shall not make any disbursement of Junior Loan Proceeds without the prior written approval of Senior Lender, which shall not be unreasonably withheld. However, if required by the Junior Loan Agreement, Junior Lender may retain an amount equal to not more than ten percent (10%) of the Junior Loan Proceeds allocated to hard construction costs.

(c) Provided that no Junior Loan Default exists and remains uncured and Borrower's request for disbursements of Junior Loan is made in accordance with the Junior Loan Documents and the Budget, Junior Lender shall make the disbursement of Junior Loan Proceeds that has been approved by Senior Lender by the later of: (a) five (5) days after notice of approval by Senior Lender, or (b) ten (10) business days after Borrower makes the request for such disbursement. Junior Lender agrees that it shall not withhold approval of the disbursement of Junior Loan Proceeds requested by Borrower unless a Junior Loan Default exists and remains uncured or the request for such disbursement is not made in accordance with the Budget and the Junior Loan Documents or the conditions precedent to the making of such disbursement have not been satisfied or waived.

(d) In the event that Junior Lender fails to make a disbursement of Junior Loan Proceeds that has been requested by Borrower and approved by Senior Lender (as a result of a Junior Loan Default or otherwise), Senior Lender shall have the right, but not the obligation, to make such disbursement to Borrower from Senior Lender's own funds pursuant to the Senior Loan Documents. Any and all amounts paid by Senior Lender to Borrower shall be deemed to have been advanced by Senior Lender pursuant to, and shall

be secured by the lien of, the Senior Security Instrument and shall accrue interest at the Default Rate (as defined in the Senior Security Instrument).

(e) The parties agree that subject to the provisions of the Junior Loan Documents, the Junior Loan Proceeds shall be disbursed in approximately such amounts and at approximately such times as set forth on Exhibit B-1 attached hereto and made a part hereof. Borrower and Junior Lender agree that Junior Lender's failure to disburse Junior Loan Proceeds that have been requested by Borrower and approved by Senior Lender in approximately such amounts and at approximately such times as set forth on Exhibit B-1 shall constitute an Event of Default under the Senior Security Instrument and Senior Lender shall have the right to exercise all rights or remedies under the Senior Security Instrument in the same manner as in the case of any other Event of Default under the Senior Security Instrument.

(f) Any amounts so retained by Junior Lender must be disbursed upon the completion of construction in accordance with the Junior Loan Documents and in any event prior to or concurrently with Senior Lender's approval of the final disbursement of proceeds of the Senior Loan pursuant to the Loan Agreement.

(g) If the Junior Loan Documents include a contingency amount allocated from the Junior Loan Proceeds for either hard costs or soft costs for the improvements shown in the Budget, Junior Lender must disburse such contingency allocation prior to the disbursement of any proceeds of the Senior Loan.

(h) Borrower must deliver simultaneously to Junior Lender and Senior Lender all requests for funds together with copies of any other forms for construction-related or non-construction-related disbursements submitted by Borrower in connection with the Junior Loan. Each request for disbursement of Junior Loan Proceeds shall be given to both lenders and must be approved in writing by both lenders. Each lender may approve or disapprove a draw request for Junior Loan Proceeds in its sole and independent judgment. Under no circumstances shall Junior Lender's consent or approval be required as a condition to disbursements of proceeds of the Senior Loan.

(i) All disbursements of proceeds of the Senior Loan and Junior Loan Proceeds must be made in accordance with the Budget. No change may be made to the "hard cost" portion of the Budget without the approval of all of the parties to this Agreement. Reallocation of funds from the contingency reserve to other line items does not constitute a change to the Budget.

(j) Senior Lender, Borrower and Junior Lender agree that all Borrower's equity funds which have been deposited with Senior Lender, Junior Lender or the Servicer will be disbursed fully prior to any disbursement of either the Junior Loan Proceeds or the proceeds of the Senior Loan.

13. Attached Exhibits.

The following Exhibits are attached to this Agreement and are incorporated by reference herein as if more fully set forth in the text hereof:

Exhibit A – Legal Description

Exhibit B – Junior Loan Documents

Exhibit B-1 – Schedule of Junior Loan Disbursements

Exhibit C – Modifications to Subordination and Intercreditor Agreement

The terms of this Agreement are modified and supplemented as set forth in said Exhibits. To the extent of any conflict or inconsistency between the terms of said Exhibits and the text of this Agreement, the terms of said Exhibits shall be controlling in all respects.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

MEMBER:

JF MEADOWBROOK MEMBER, LLC,
a Utah limited liability company

By: JF Properties, LLC,
a Utah limited liability company,
its manager

By: J. Fisher Companies, LLC,
a Utah limited liability company,
its manager

By: 
Name: Owen Fisher
Title: Managing Partner

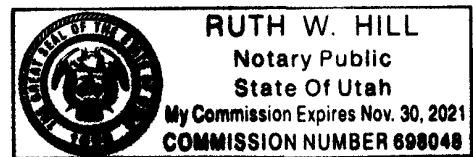
STATE OF UTAH

COUNTY OF DAVIS

On DEC. 20, 2017 before me, RUTH HILL, NOTARY (here insert name and title of the officer), personally appeared OWEN FISHER who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

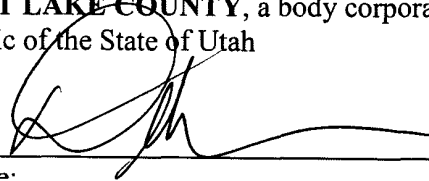
Signature *Ruth W. Hill* (Seal)

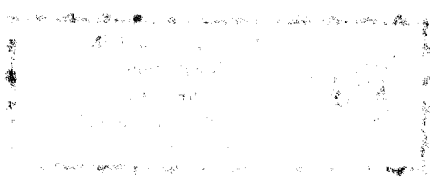


IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Subordination and Intercreditor Agreement or caused this Subordination and Intercreditor Agreement to be duly executed and delivered by their respective authorized representatives as of the date first set forth above.

COUNTY:


SALT LAKE COUNTY, a body corporate and politic of the State of Utah

By: 
Name:
Title: Mayor or Designee



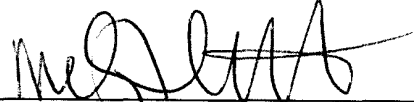
Administrative Approval:

Housing and Community Development

By: 
Michael Gallegos, Director
Date: Dec 21, 2017

Approved as to Form:

District Attorney's Office

By: 
Melanie F. Mitchell, Unit Chief
Date: 21 December 2017

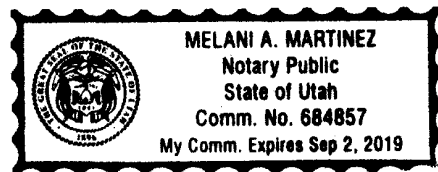
STATE OF UTAH

COUNTY OF Salt Lake

On Dec 22, 2017 before me, Melani A. Martinez (here insert name and title of the officer), personally appeared Darrin Casper who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Melani A. Martinez (Seal)



SENIOR LENDER:

CITIBANK, N.A.

By: 

Name: Michael Hemmens

Title: Authorized Signatory

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

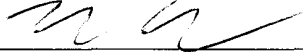
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

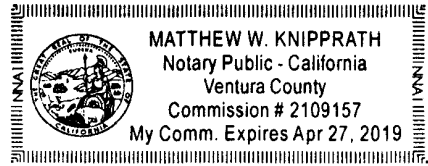
STATE OF CALIFORNIA
COUNTY OF Ventura

On December 20, 2017 before me, Matthew W. Knipprath, Notary Public (here insert name and title of the officer), personally appeared Michael Hermans who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same in ~~his~~ her/their authorized capacity(ies), and that by ~~his~~ her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



ACKNOWLEDGED AND AGREED AS OF THE DATE FIRST SET FORTH ABOVE:

BORROWER:

JF MEADOWBROOK PARTNERS, LLC,
a Utah limited liability company

By: JF Meadowbrook Member, LLC,
a Utah limited liability company,
its managing member

By: JF Properties, LLC,
a Utah limited liability company,
its manager

By: J. Fisher Companies, LLC,
a Utah limited liability company,
its manager

By: 
Name: Owen Fisher
Title: Managing Partner

STATE OF UTAH

COUNTY OF Davis

On 7th DEC 2017 before me, Jeremy Krause (here insert name and title of the officer), personally appeared Over Fisher who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature [Handwritten Signature] (Seal)

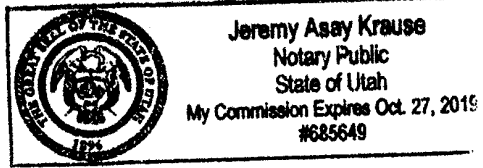


EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Millcreek, County of Salt Lake, State of Utah, described as follows:

PARCEL 1:

An entire tract of land containing those three (3) parcels of land conveyed to JF Meadowbrook, LLC per those Warranty Deeds recorded October 18, 2016 as Entry No. 12392398 at Page 4842 and Entry No. 12392403 at Page 4861 in the office of the Salt Lake County Recorder. Said entire tract being part of Lot 9, Block 9, Ten Acre Plat "A", Big Field Survey located within the Southeast quarter of Section 36, Township 1 South, Range 1 West, Salt Lake Base and Meridian. The boundary of said entire tract is described as follows:

Beginning at the intersection of the Southerly right-of-way line of 3900 South Street and the Westerly right-of-way line of Main Street located 33.00 feet South 89°46'15" West along the Northerly line of said Lot 9, Block 9 and 40.00 feet South 01°12'52" West from the Northeast corner of said Lot 9, Block 9; said intersection is also located 33.00 feet South 89°46'15" West along the monument line of 3900 South Street and 73.02 feet South 01°12'52" West from the street monument at the intersection of 3900 South Street and Main Street and running thence South 01°12'52" West 242.24 feet (Deed = South 245 feet) along said Westerly right-of-way line of Main Street to a Southeasterly corner of entire tract; thence North 68°08'00" West 169.50 feet (Deed = 181.9 feet) to an existing old fence line; thence South 05°35'00" West 261.81 feet (Deed = South 04°00'00" West) along said existing old fence line being the same fence held in those three (3) Warranty Deeds recorded May 8, 2001 as 1) Entry No. 7891016 in Book 8455 at Page 234, 2) Entry No. 7891020 in Book 8455 at Page 247, 3) Entry No. 7891021 in Book 8455 at Page 249 in the office of said Recorder; thence departing said existing old fence South 89°30'00" West 148.21 feet (Deed = 154.64 feet) to the Southwesterly corner of said entire tract and an existing fence; thence North 01°12'52" East 439.70 feet (Deed = 440.84 feet) along said existing fence to the Southerly right-of-way line of 3900 South Street; thence North 89°46'15" East 326.80 feet (Deed = 327.86 feet) along said Southerly right-of-way line of 3900 South Street to the point of beginning.

PARCEL 2:

A 30 foot wide perpetual right-of-way easement appurtenant to Parcel 1 for ingress and egress, and for utilities, as reserved in that certain General Warranty Deed recorded December 10, 2010 as Entry No. 11094453 in Book 9887 at Page 8617 of official records, and more particularly described as follows:

Beginning at a point which is East 16.33 feet, North 1171.00 feet and West 192.83 feet from the Southeast corner of Section 36, Township 1 South, Range 1 West, Salt Lake Base and Meridian; thence West 522.44 feet; thence North 00°04'53" East 30.00 feet; thence East 475.02 feet; thence continue Easterly along said line, a distance of 0.94 feet to a point of curve to the left having a radius of 8.00 feet and a central angle of 90°00'00"; thence Northeasterly along the arc a distance

of 12.57 feet (chord bearing North 45°00'00" East 11.31 feet); thence North 24.13 feet; thence North 89°30'00" East 28.34 feet; thence South 09°31'44" East 59.61 feet to the point of curve of a non tangent curve to the left, of which the radius point lies East, a radial distance of 28.00 feet; thence Southerly along the arc, through a central angle of 07°22'06", a distance of 3.60 feet (chord bearing South 03°41'02" East 3.60 feet) to the point of beginning.

Parcel Numbers: 15-36-477-010, 15-36-477-028 and 15-36-477-036

EXHIBIT B

JUNIOR LOAN DOCUMENTS

1. Secured Promissory Note, dated as of December 1, 2017, made by Member to County.
2. Secured Promissory Note, dated as of December 1, 2017, made by Borrower to Member.
3. Deed of Trust, dated as of December 1, 2017, made by Borrower for the benefit of Member.
4. Assignment of Beneficial Interest Under Deed of Trust, dated as of December 1, 2017, made by Member for the benefit of County
5. Developer Subgrant Agreement for the Conduct of a HOME Investment Partnerships Program, dated as of December 1, 2017, by and among County, Borrower and Member.
6. Deed Restriction, dated as of December 1, 2017, made by Borrower and Member for the benefit of County.

EXHIBIT B-1

SCHEDULE OF JUNIOR LOAN DISBURSEMENTS

Disbursements of the Junior Loan Proceeds are anticipated to be made in connection with the initial monthly construction draw requests. Specifically, construction draw request #1 (in the anticipated amount of approximately \$365,044.61) is expected to be funded through a disbursement of Junior Loan Proceeds, and construction draw request #2 is anticipated to be partially funded through the remaining Junior Loan Proceeds available (in the anticipated amount of approximately \$134,955.39).

EXHIBIT C

**MODIFICATIONS TO
SUBORDINATION AND INTERCREDITOR AGREEMENT**

The following modifications are made to the text of the Agreement that precedes this Exhibit:

None.

Capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Agreement.