

ALLONGE TO PROMISSORY NOTE

(City View Apartments)

THIS ALLONGE TO PROMISSORY NOTE (“Allonge”) dated as of _____, 2015, is made by CHURCH STREET HOUSING PARTNERS I, LLC, a Florida limited liability company (“Borrower”), with a principal address of 100 South Orange Avenue, 7th Floor, Orlando, FL 32801, to and for the benefit of CITY OF ORLANDO, a Florida municipal corporation with a principal address of 400 South Orange Avenue, Orlando, FL 32801 (“Junior Lender”), and is to be attached to, incorporated into, and shall amend that certain City of Orlando HOME/SHIP Promissory Note in the original principal amount of \$1,800,000 dated June 3, 2002 (herein, “Note”).

WITNESSETH:

WHEREAS, Borrower obtained a loan from the Junior Lender in the original principal amount of ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS AND 00/100 (\$1,800,000) (the “Loan”) in connection with that certain multifamily residential housing development known as City View Apartments (the “Improvements”) located on property in Orange County, Florida (the “Land”). The Land, the Improvements, the fixtures and personal property and other amenities now or hereafter located on or used in connection with the Land are referred to collectively hereafter as the "Development"); and

WHEREAS, the Note is secured by that certain Mortgage and Security Agreement dated as of June 3, 2002 and recorded June 5, 2002 in Official Records Book 6538, Page 7120, as amended by that certain Global Modification, Amendment and Subordination of Mortgage and Security Agreement, City of Orlando HOME/SHIP Promissory Note and Other Loan Documents, as recorded on a date even herewith in Official Records Book _____, Page _____, all in the Public Records of Orange County, Florida, given by Borrower in favor of Junior Lender (as amended, the “Mortgage”), which Mortgage encumbers the Development; and

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

WHEREAS, Borrower has entered into a first mortgage loan with GREYSTONE FUNDING CORPORATION, a Virginia corporation ("Senior Lender"), acting as the mortgagee under the United States Department of Housing and Urban Development (“HUD”) and in connection with such loan, HUD has required the execution of a “HUD Rider” to the Note; and

WHEREAS, Borrower is executing and delivering this Allonge in order to reflect the Senior Lender’s HUD requirements and to confirm the fact that the Note and Mortgage are subordinate to that certain first Note (Multistate) in the original principal amount of

\$15,025,000.00, dated as of _____, 2015, given by Borrower in favor of Senior Lender ("Mortgage Note"), and that certain Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement dated as of _____, 2015, given by Borrower in favor of Senior Lender ("First Mortgage"), which encumbers the Development and will be recorded in the Public Records of Orange, Florida.

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

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

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

3. HUD Rider. The provisions of the Note are subject in all respects to the provisions of the HUD Rider attached hereto and made a part hereof, which terms are incorporated into the Note as of the date hereof.

4. Extension of Maturity Date. The last sentence of the first paragraph of the Note is hereby amended and restated as follows:

"This Note shall become due and payable on the earlier of (1) _____, 2050; or (2) the sale or refinancing of the Mortgaged Property; provided however, in no event shall any principal be due earlier than the date on which the obligations secured by the Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement dated as of _____, 2015 (the "Mortgage Loan") is paid in full."

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

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO
ALLONGE TO PROMISSORY NOTE**

(City View Apartments)

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

BORROWER:

**CHURCH STREET HOUSING PARTNERS I,
LLC**, a Florida limited liability company

By: ONIC-City View, LLC, a Florida limited liability company, its managing member

By: Orlando Neighborhood Improvement Corporation, Inc., a Florida nonprofit corporation, its sole member

By: _____
Robert E. Ansley, Jr., President

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

(City View Apartments)

Delivery acknowledged and accepted this _____ day of _____, 2015 by CITY OF ORLANDO, a Florida municipal corporation.

JUNIOR LENDER:

CITY OF ORLANDO, a Florida municipal corporation

By:_____

Name:_____

Title:_____

EXHIBIT "B"

**HUD SECONDARY FINANCING RIDER
TO
ALLONGE TO PROMISSORY NOTE**

(City View Apartments)

This Rider ("Rider") is attached to and made a part of that certain (i) of Orlando HOME/SHIP Promissory Note (herein, the "Note") dated June 3, 2002 as amended by a certain Allonge to Promissory Note (herein, the "Note Amendment") dated _____, 2015 (herein, collectively, the "Junior Note"), both from CHURCH STREET HOUSING PARTNERS I, LLC, a Florida limited liability company (the "Borrower"), in favor of CITY OF ORLANDO, a Florida municipal corporation (herein, the "Junior Lender"), in the principal amount of \$1,800,000 evidencing a loan (herein, the "Junior Loan") from Junior Lender to Borrower, and (ii) Mortgage and Security Agreement dated as of June 3, 2002 (herein, the "Mortgage"), from Borrower in favor of Junior Lender, as amended by that certain Global Modification, Amendment and Subordination of Mortgage and Security Agreement, City of Orlando HOME/SHIP Promissory Note and Other Loan Documents (herein, the "Mortgage Amendment") dated the date hereof (herein, collectively, the "Junior Mortgage"). The Junior Note and Junior Mortgage and any and all other documents now or hereafter executed and/or delivered in connection with the Junior Loan are hereafter collectively referred to as the "Junior Loan Documents." The terms and conditions of this Rider supersede all other terms of the Junior Loan Documents, and, should there be any conflict or inconsistency between this Rider and any other provisions of the Junior Loan Documents, the terms and conditions of this Rider shall prevail.

As used herein, "Senior Loan Documents" shall mean (i) that certain Note (Multistate) (herein, the "Senior Note") dated _____, 2015 from Borrower in favor of GREYSTONE FUNDING CORPORATION, a Virginia corporation (herein, the "Senior Lender"), in the original principal amount of \$15,025,000.00 evidencing a loan (herein, the "Senior Loan") from Senior Lender to Borrower, (ii) that certain Multifamily Mortgage, Assignment of Leases and Rents and Security Agreement (herein, the "Senior Mortgage") dated _____, 2015 from Borrower in favor of Senior Lender, granting a mortgage on the project known as City View Apartments, FHA Project No. 067-11199 (herein, the "Project"), (iii) that certain Regulatory Agreement for Multifamily Projects (herein, the "Regulatory Agreement") dated _____, 2015 by and between Borrower and the Secretary of Housing and Urban Development (herein, "HUD"), and (iv) any and all other documents required by Senior Lender and/or HUD in connection with, evidencing and/or securing the Senior Loan.

The Junior Lender, by acceptance of delivery and recordation of the Mortgage Amendment and the Borrower, by execution of the Note Amendment and the Mortgage Amendment, agree to the following provisions incorporated in said Junior Note and Junior Mortgage to the same extent as if fully rewritten therein:

1. The Junior Loan Documents and all amounts now and/or hereafter advanced thereunder and/or secured thereby are specifically subordinate to the Senior Loan Documents and all amounts now and/or hereafter advanced thereunder and/or secured thereby.
2. The Junior Note may not mature, and may not bear a maturity date, prior to the date on which the Senior Note matures. The term of the Junior Loan may be extended if the Junior Note matures, there are no surplus cash funds available for repayment and the Senior Loan has not been retired in full or HUD grants a deferment of amortization or forbearance that results in an extended maturity of the Senior Loan.
3. The Junior Loan may be assumed when a sale or transfer of the physical assets occurs under the following conditions:
 - a. Not more than the excess, if any, of (i) 75 percent of the net proceeds of the sale or transfer is applied to the reduction of the Junior Loan over (ii) the amount paid on account of any other loans with respect to the Project which are junior to the Senior Loan but senior to the Junior Loan; provided, however, that if there are other loans which have the same priority as the Junior Loan, the foregoing amount shall be allocated pari passu among such loans based upon the total outstanding indebtedness of each.
 - b. As used herein, net proceeds are the funds available to the Borrower after:
 - i. Correcting any monetary or covenant default under any of the Senior Loan Documents, and
 - ii. Making required contributions to any reserve funds and needed improvements to the Project as evidenced by HUD's annual inspection reports.
4. As long as HUD or its successors or assigns is the insurer or holder of the Senior Mortgage, any payments due under the Junior Loan Documents shall be payable only from 75% of "Surplus Cash" (or "residual receipts") as that term is defined in the Regulatory Agreement and subject to the availability of such surplus cash (or residual receipts) in accordance with the provision of said Regulatory Agreement. The restriction on payment imposed by this paragraph shall not excuse any default caused by failure of the Borrower to pay the indebtedness evidenced by the Junior Note.
5. Notwithstanding anything in the document to which this Rider is attached or any other of the Junior Loan Documents, any indemnity obligations of the owner of the Development shall be suspended and be of no force or effect during any period of time from and after the date of any transfer of title to the Development by foreclosure, deed in lieu of foreclosure or comparable conversion of any lien on the Development conveying title to the Development to HUD or to the United States Government acting as an assignee of HUD; provided, however, that the preceding provisions of this sentence shall cease to apply and the obligations of such owner and its successors and permitted assigns contained in the Indemnity, shall be reinstated if, at any time

subsequent to the suspension of such obligations as the result of the foreclosure or the delivery of a deed in lieu of foreclosure or a similar event, (1) such owner or any related person (within the meaning of Section 1.103-10(e) of the Regulations) obtains an ownership interest in the Development for federal income tax purposes, or (2) HUD or the United States Government acting as an assignee of HUD, conveys title or other ownership interest in the Development to a third party.

[SIGNATURES BEGIN ON NEXT PAGE]

**COUNTERPART SIGNATURE PAGE FOR
HUD SECONDARY FINANCING RIDER TO
ALLONGE TO PROMISSORY NOTE**

(City View Apartments)

WITNESSES:

JUNIOR LENDER:

CITY OF ORLANDO, a Florida municipal
corporation

Print: _____

By: _____

Name: _____

Print: _____

Title: _____

[SEAL]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as the _____ of CITY OF ORLANDO, a Florida municipal corporation, on behalf of said corporation. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

**COUNTERPART SIGNATURE PAGE FOR
HUD SECONDARY FINANCING RIDER TO
ALLONGE TO PROMISSORY NOTE**

(City View Apartments)

WITNESSES:

BORROWER:

**CHURCH STREET HOUSING PARTNERS I,
LLC, a Florida limited liability company**

By _____

By: ONIC-City View, LLC, a Florida limited
liability company, its managing member

By: _____

By: Orlando Neighborhood Improvement
Corporation, Inc., a Florida nonprofit
corporation, its sole member

By: _____
Robert E. Ansley, Jr., President

Borrower's Address: c/o ONIC-City View, LLC
100 S. Orange Avenue, 7th Floor
Orlando, FL 32801

STATE OF FLORIDA
COUNTY OF _____

[SEAL]

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by Robert E. Ansley, Jr., as President of ORLANDO NEIGHBORHOOD IMPROVEMENT CORPORATION, INC., a Florida nonprofit corporation (the "Corporation"), the sole member of ONIC-CITY VIEW, LLC, a Florida limited liability company (the "Company"), the general manager of CHURCH STREET HOUSING PARTNERS I, LLC, a Florida limited liability company, on behalf of Corporation and Company. Said person is personally known to me or has produced a valid driver's license as identification.

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