

THIS INSTRUMENT PREPARED
BY AND RETURN TO:
Jan Albanese Carpenter, Esq.
Latham, Luna, Eden & Beaudine, LLP
P.O. Box 3353
Orlando, Florida 32802

ABOVE SPACE RESERVED FOR
RECORDING PURPOSES ONLY

SUBORDINATION AGREEMENT

(City of Orlando subordination to FHFC CDBG-DR)

(Parramore Oaks Phase Two / CDBG-DR / RFA 2019-102 / 2020-055BD)

THIS SUBORDINATION AGREEMENT (this "Agreement") is made and entered into as of _____, 2021, by (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, in its capacities as second mortgage lender of Community Development Block Grant-Disaster Recovery Program (the "Senior Mortgagee") (which term as used in every instance shall include Senior Mortgagee's successors and assigns); (ii) COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF ORLANDO, FLORIDA, an agency organized pursuant to Chapter 163, Part III, Florida Statutes, as lender of a loan, (the "Subordinate Mortgagee"); and (iii) PARRAMORE OAKS PHASE TWO, LLC, a Florida limited liability company (the "Borrower").

RECITALS

A. Borrower executed and delivered to the Subordinate Mortgagee a Promissory Note dated the date hereof, (the "Subordinate Note") in the original principal amount of \$2,152,000, evidencing a loan under a Development Agreement, as amended (the "Subordinate Loan") secured by that certain Leasehold Mortgage and Security Agreement dated the date hereof, to be recorded in the public records of Orange County, Florida. The aforesaid Mortgage encumbers the real property described in Exhibit "A" attached hereto and made a part hereof, the improvements thereon, and certain personal property relating thereto (collectively, the "Property"). Hereinafter the aforesaid Subordinate Note, the Mortgage in favor of the Subordinate Mortgagee, and all other loan documents executed in connection with the Subordinate Loan are collectively referred to as the "Subordinate Mortgage."

B. Borrower will execute and deliver to the Senior Mortgagee a Promissory Note dated the date hereof in the original principal amount of \$5,700,000, (the "Senior Note") evidencing a second leasehold mortgage loan of Community Development Block Grant-Disaster Recovery Program funds under the Florida Housing Finance Corporation Request for Proposals 2019-102, in effect as of July 30, 2019 ("RFP"), (the "CDBG-DR Loan"), secured by a Leasehold Mortgage and Security Agreement dated as of the date hereof to be recorded in the public records of Orange County, Florida.

C. The Senior Loan is subordinate in priority only to that certain Leasehold Mortgage, Assignment of Leases and Rents and Security Agreement and Fixture Filing (the "First Mortgage") in favor of Truist Bank, N.A., (the "First Mortgagee") dated as of _____, 2021 to be recorded in the Public Records of Orange County, Florida in the original principal amount of \$14,000,000 (the "First Mortgage Loan") and which is evidenced and secured by separate first mortgage loan documents.

D. To induce the Senior Mortgagee to make the Senior Loan, the Subordinate Mortgagee is willing to subordinate the Subordinate Mortgage to the Senior Mortgage.

AGREEMENT

NOW, THEREFORE, in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, from one to the other paid, the receipt and sufficiency whereof is hereby acknowledged, and to induce Senior Mortgagee to make the Senior Loan, the parties do hereby agree:

1. **Recitals.** The Recitals are true and correct and are made a part hereof.

2. **Subordination.**

(a) The Subordinate Mortgage is now and forever hereafter made subordinate and inferior to the Senior Mortgage and to all debt evidenced or secured thereby including principal, interest, costs and expenses, and to any and all extensions, modifications, amendments, enlargements or renewals thereof or future advances made thereunder. Further, the terms of the Subordinate Mortgage and all rights and remedies of the Subordinate Mortgagee available to the Subordinate Mortgagee pursuant to the Subordinate Mortgage, including but not limited to the right to claim or receive any insurance or condemnation awards or proceeds, are hereby expressly subordinate to the terms of the Senior Mortgage and the rights and remedies of Senior Mortgagee under the Senior Mortgage.

(b) The indebtedness of Borrower, and any other obligor pursuant to the Subordinate Note, and any and all other indebtedness and other obligations of Borrower to Subordinate Mortgagee, and the Subordinate Mortgage and all other liens, encumbrances and security interests given to secure the payment of the Subordinate Note and any other obligations of payment or performance of Borrower to Subordinate Mortgagee, whether now existing or hereafter created or acquired, shall be and hereby are subordinated in lien, priority and payment of principal and interest and all other charges and fees, including, without limitation, taxes and

insurance premiums paid by Senior Mortgagee and interest accruing after any default or petition in bankruptcy, to the indebtedness of Borrower pursuant to the Senior Note, and all liens, encumbrances and security interests given to secure the payment thereof, whether now existing or hereafter created or acquired, including, without limitation, the Senior Mortgage and to any and all other loans, advances, extensions of credit, or other accommodations to or for the account of Borrower as Senior Mortgagee may elect to make from time to time, and any and all other indebtedness of Borrower to Senior Mortgagee, whether now existing or hereafter created or acquired, and any and all liens, encumbrances, and security interests given to secure the repayment or payment thereof, whether now existing or hereafter created or acquired, and to such renewals and extensions thereof as Senior Mortgagee may elect to make from time to time.

3. Conditions Precedent to Remedial Action. If a default occurs under the Subordinate Mortgage (a "Subordinate Loan Default") and is continuing, the Subordinate Mortgagee agrees that, without the Senior Mortgagee's prior written consent, it will not commence foreclosure proceedings with respect to the Property under the Subordinate Mortgage or exercise any other rights or remedies it may have under the Subordinate Mortgage, including, but not limited to accelerating the Subordinate Loan (and enforcing any "due on sale" provision included in the Subordinate Mortgage), 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 Mortgagee at least thirty (30) days' prior written notice. The Senior Mortgagee shall have the right, but not the obligation, to cure any Subordinate Loan Default within the same time period for curing a default which is given to the Borrower under the Subordinate Loan Documents, except that the Senior Mortgagee's time period for cure shall begin on the date on which it receives notice of the Subordinate Loan Default. All amounts advanced or expended by the Senior Mortgagee to cure a Subordinate Loan Default shall be deemed to have been advanced by the Senior Mortgagee pursuant to, and shall be secured by the lien of, the Senior Mortgage. Nothing in this Agreement will be construed as prohibiting Subordinate Mortgagee from enforcing the Deed and use Restrictions set forth in the Special Warranty Deed conveying the Property from Subordinate Mortgagee to Bright Community Trust, Inc.

4. Insurance, Condemnation. In the event of partial or total destruction of the Property which results in the payment of insurance proceeds, or in the event of a condemnation or similar proceeding which results in the payment of an award, the proceeds or award shall be applied in accordance with the relevant provisions of the Senior Mortgage.

5. Modifications to Subordinate Mortgage. Borrower agrees that it will not modify the Subordinate Mortgage without the prior written consent of the Senior Mortgagee. Borrower and Subordinate Mortgagee agree that no future advances may be made under the Subordinate Loan without the prior written consent of Senior Mortgagee.

6. 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 Mortgagee or the Subordinate Mortgagee 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 Mortgagee: Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Attention: Executive Director
Phone: (850) 488-4197
Fax: (850) 488-9809

with a copy to: Latham, Luna, Eden & Beaudine, LLP
201 South Orange Ave., Suite 1400
Orlando, Florida 32801
Attention: Jan Albanese Carpenter, Esq.
Phone: (407) 481-5800
Email: jcarpenter@lathamluna.com

Subordinate Mortgagee: Community Redevelopment Agency of
The City of Orlando, Florida
400 South Orange Avenue
Orlando, Florida 32801
Attention: Executive Director
Phone: (407) 246-3361
Email: Thomas.Chatmon@downtownorlando.com

with a copy to: The City of Orlando, Florida
City Attorney
400 South Orange Avenue
Orlando, Florida 32801
Attention: Mayanne Downs, Esquire
Phone: (407) 246-2295
Email: mayanne.downs@orlando.gov

Borrower: Parramore Oaks Phase Two, LLC
c/o InVictus Development, LLC
1910 West Cass Street
Tampa, Florida 33606
Attention: Paula M. Rhodes
Phone: (813) 448-7868
Email: prhodes@invictusdev.com

with a copy to: Stearns Weaver Miller Weissler Alhadeff and Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, Florida 33130
Phone: (305) 789-3350
Email: bmcdonough@stearnsweaver.com

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

7. No Waiver. The giving of consent by Senior Mortgagee to the giving of the Subordinate Mortgage is not and shall not be deemed a waiver of the Senior Mortgagee's rights to prohibit any other junior mortgage of the Property. No delay on the part of Senior Mortgagee or Subordinate Mortgagee in the exercise of any right or remedy hereunder or under the Senior Mortgage or Subordinate Mortgage, respectively, shall operate as a waiver of any right hereunder.

8. Counterparts. The parties hereto agree that this Subordination Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

9. Costs of Enforcement. Should suit be brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees incurred both at trial and on appeal.

10. Paragraph Headings. The headings of the various paragraphs of this Subordination Agreement have been inserted only for the purposes of convenience, and are not part of this Subordination Agreement and shall not be deemed in any manner to modify, explain or restrict any of the provisions of this Subordination Agreement.

11. Choice of Law. This Agreement shall be construed, interpreted, enforced and governed by and in accordance with the laws of the State of Florida, excluding the principles thereof governing conflicts of law. If any provision shall be held prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating any other provision of this Agreement.

12. Binding Effect. This Agreement shall be binding upon the Borrower and the Subordinate Mortgagee and their respective successors and assigns and shall inure to the benefit of the Senior Mortgagee, its successors and assigns.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE TO
SUBORDINATION AGREEMENT**

(City of Orlando subordination to FHFC CDBG-DR)

(Parramore Oaks Phase Two / CDBG-DR / RFA 2019-102 / 2020-055BD)

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

SENIOR MORTGAGEE:

**FLORIDA HOUSING FINANCE
CORPORATION**

WITNESSES:

Print: _____

Print: _____

By: _____

Marisa G. Button
Director of Multifamily Programs

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me by ___ physical presence or ___ online notarization this ____ day of _____, 2021, by MARISA G. BUTTON, as Director of Multifamily Programs for 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 Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

**COUNTERPART SIGNATURE PAGE TO
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SUBORDINATE MORTGAGEE:

WITNESSES:

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF ORLANDO, an agency
organized pursuant to chapter 163, Part III, Florida
Statutes

Print: _____

By: _____

Buddy Dyer
Chairman

Print: _____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by ___ physical presence or ___ online notarization this ___ day of _____, 2021, by Buddy Dyer, as Chairman of Community Redevelopment Agency of The City of Orlando, an agency organized pursuant to Chapter 163, Part III, Florida Statutes, on behalf of the County. 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.: _____

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

BORROWER:

WITNESSES:

PARRAMORE OAKS PHASE TWO, LLC, a Florida limited liability company

By: InVictus Development, LLC, a Florida Limited liability company, its manager

Print: _____

By: _____

Paula M. Rhodes,
Manager

Print: _____

STATE OF FLORIDA
COUNTY OF

The foregoing instrument was acknowledged before me by ___ physical presence or ___ online notarization this ___ day of _____, 2021, by PAULA M. RHODES, as manager of INVICTUS DEVELOPMENT, LLC, a Florida limited liability company, the manager of PARRAMORE OAKS PHASE TWO, LLC, a Florida limited liability company, on behalf of the limited liability companies. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

EXHIBIT "A"

LEGAL DESCRIPTION

(Parramore Oaks Phase Two)

LOT 1, BLOCK 1, OF PARRAMORE OAKS APARTMENTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 96, AT PAGE 98, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA

TOGETHER WITH THE EASEMENT AND OTHER RIGHTS SET FORTH IN THE FOLLOWING INSTRUMENT:

ACCESS, LIFT STATION, AMENITIES AND PARKING AGREEMENT AND EASEMENT, by and among PARRAMORE OAKS, LLC, a Florida limited liability company, PARRAMORE OAKS PHASE TWO, LLC, and BRIGHT COMMUNITY TRUST INC., RECORDED OF EVEN DATE HERewith PRIOR TO THE RECORDING OF THIS MORTGAGE, IN THE OFFICIAL RECORDS OF ORANGE COUNTY, FLORIDA, OVER THE FOLLOWING-DESCRIBED LANDS:

Lot 2, Block 1 of PARRAMORE OAKS APARTMENTS, according to the Plat thereof recorded in Plat Book 96, Page 98, of the Public Records of Orange County, Florida.