

**PREPARED BY AND RETURN TO:**

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**SUBORDINATION AGREEMENT  
(Conventional)**

This SUBORDINATION AGREEMENT (this “**Agreement**”) dated as of November \_\_\_\_, 2020, is executed by and among (i) **GRANDBRIDGE REAL ESTATE CAPITAL LLC**, a North Carolina limited liability company (“**Senior Lender**”), (ii) **CITY OF ORLANDO**, a Florida municipal corporation, whose address is 400 South Orange Avenue, Orlando, Florida 33802 (“**Subordinate Lender**”), and (iii) **WEST LAKES PHASE I, LP**, a Florida limited partnership, whose address is 1718 Peachtree St. NW South Tower, Suite 684, Atlanta GA 30309, a Florida limited partnership, whose address is 1718 Peachtree St. NW South Tower, Suite 684, Atlanta GA 30309 (“**Borrower**”).

**RECITALS:**

A. Pursuant to that certain Multifamily Loan and Security Agreement dated as of the date hereof, executed by and between Borrower and Senior Lender (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Loan Agreement**”), Senior Lender has agreed to make a loan to Borrower in the original principal amount of \$[10,000,000] (the “**Senior Loan**”), as evidenced by that certain Multifamily Note dated as of the date hereof, executed by Borrower and made payable to the order of Senior Lender in the amount of the Senior Loan (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Note**”).

B. In addition to the Senior Loan Agreement, the Senior Loan and the Senior Note are also secured by a certain Multifamily Mortgage, Deed of Trust or Deed to Secure Debt dated as of the date hereof (as amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Senior Security Instrument**”), encumbering the property described in the Senior Security Instrument as the “**Mortgaged Property**.”

C. The Mortgaged Property includes all of Borrower’s leasehold estate (the “**Leasehold Estate**”) in a certain parcel of real property located in the City of Orlando, Orange County Florida, and more particularly described in Exhibit “A” attached hereto and by this reference made a part hereof (the “**Land**”) under that certain Ground Lease dated May 4, 2015 by

Pendana at West Lakes – LIFT Orlando CDBG

and between LIFT Orlando Community Land, LLC, a Florida limited liability company (“LIFT”), as Ground Lessor, and Borrower, as Ground Lessee, as amended and restated under a certain Amended and Restated Ground Lease dated April 28, 2016 (the “**Ground Lease**”). LIFT is indebted to Subordinate Lender for loans in an aggregate amount of \$1,250,000.00 (the “**Subordinate Loan**”) pursuant to that certain Community Development Block Grant Program Agreement (the “**CDBG Loan Agreement**”), and has granted to Subordinate Lender security interests in LIFT’s fee simple title to the Land pursuant to certain Mortgage and Security Agreement by Fee Borrower to and in favor of Subordinate Lender dated November 3, 2015, and recorded November 6, 2015, in Official Records Book 11009, Page 5702, Public Records of Orange County, Florida (the “**Subordinate Mortgage**”).

D. Borrower has requested Senior Lender to permit the Subordinate Loan and to allow the Subordinate Loan to be secured by the lien of and under the Subordinate Mortgage upon and against LIFT’s fee interest in the Land.

E. Senior Lender has agreed to permit the Subordinate Loan and to allow the subordinate mortgage lien against LIFT’s interests in the Land subject to all of the conditions contained in this Agreement.

#### **AGREEMENTS:**

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

**1. Recitals.**

The recitals set forth above are incorporated herein by reference.

**2. Definitions.**

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

“**Affiliate**” means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual Controlled by, under common Control with, or which Controls such Person, and in all cases any other Person that holds fifty percent (50%) or more of the ownership interests in such Person.

“**Borrower**” means the Person named as such in the first paragraph on page 1 of this Agreement, any successor or assign of Borrower, including without limitation, a receiver, trustee or debtor-in-possession and any other Person (other than Senior Lender) who acquires title to the Mortgaged Property after the date of this Agreement.

“**Business Day**” means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which Senior Lender is not open for business, or (d) a day on which the Federal Reserve Bank of New York is not open for business.

**“Condemnation Action”** means any action or proceeding, however characterized or named, relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect.

**“Control”** (including with correlative meanings, the terms “Controlling,” “Controlled by” and “under common Control with”), as applied to any entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or operations of such entity, whether through the ownership of voting securities, ownership interests or by contract or otherwise.

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

**“Person”** means an individual, an estate, a trust, a corporation, a partnership, a limited liability company or any other organization or entity (whether governmental or private).

**“Regulatory Agreement”** means the Declaration of Restrictive Covenant – CDBG Use Restriction dated November 3, 2015, and recorded on November 6, 2015 in Official Records Book 11009, Page 5698, as Doc# 20150579474 in the Public Records of Orange County, Florida.

**“Senior Lender”** means the Person named as such in the first paragraph on Page 1 of this Agreement, its successors and assigns and any other Person who becomes the legal holder of the Senior Loan after the date of this Agreement.

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

**“Senior Loan Documents”** means the Senior Note, the Senior Security Instrument, the Senior Loan Agreement and all other “Loan Documents” as that term is defined in the Senior Loan Agreement.

**“Subordinate Lender”** means the Person named as such in the first paragraph on Page 1 of this Agreement, any successor or assign of Subordinate Lender, including without limitation, a receiver, trustee or debtor-in-possession and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

**“Subordinate Loan Default”** means a default in performance or observance of any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed thereunder, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

**“Subordinate Loan Documents”** means the Subordinate Note, the Subordinate Mortgage, the CDBG Loan Agreement, the Regulatory Agreement, and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

“**Subordinate Mortgage**” shall have the meaning ascribed to such term in Recital C above.

“**Subordinate Note**” means the promissory note issued by LIFT to Subordinate Lender, or order, to evidence the Subordinate Loan.

**3. Permission to Place Mortgage Lien Against Mortgaged Property.**

Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Mortgaged Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit the Subordinate Mortgage and other recordable Subordinate Loan Documents against the Land to secure LIFT’s obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of LIFT or LIFT’s Affiliates to Subordinate Lender under and in connection with the Subordinate Loan.

**4. Borrower’s and Subordinate Lender’s Representations and Warranties.**

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

**(a) Subordinate Loan Documents.**

The Subordinate Loan is evidenced by the Subordinate Note and is secured by the Subordinate Mortgage, the Subordinate Loan Agreement and the Subordinate Loan Documents.

**(b) Subordinate Note.**

The Subordinate Note is hereby amended to include the following provision:

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by a Multifamily Note (and any schedules) dated as of November [\_\_\_], 2020 in the original principal amount of \$[10,000,000], executed by WEST LAKES PHASE I, LP, a Florida limited partnership (“**Borrower**”) and payable to the order of GRANDBRIDGE REAL ESTATE CAPITAL LLC, a North Carolina limited liability company (“**Senior Lender**”), to the extent and in the manner provided in that certain Subordination Agreement dated as of even date with said Multifamily Note between the payee of this Note, and Senior Lender and Borrower (the “**Subordination Agreement**”). The Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Multifamily Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing the Multifamily Note and the terms, covenants and conditions of the Multifamily Loan and Security Agreement evidencing the terms of the Multifamily Note, as more fully set forth in the Subordination Agreement. The rights and remedies of the payee and each subsequent holder of this Note under the Mortgage, Deed of Trust or Deed to Secure Debt (and any exhibits) securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each

subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of the Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by Subordinate Lender under the Subordination Agreement.

**(c) Intentionally Omitted**

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

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

**(e) Term.**

The term of the Subordinate Note will end before the stated term of the Senior Note.

**(f) Intentionally Omitted**

**5. Deliveries.**

Borrower has provided true and correct certified copies of the Subordinate Loan Documents to Senior Lender prior to the effective date of this Subordination Agreement and Borrower agrees to provide certified copies of the Senior Loan Documents to Subordinate Lender promptly following written request of Subordinate Lender.

**6. Terms of Subordination.**

**(a) Agreement to Subordinate.**

Senior Lender and Subordinate Lender agree that (1) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement, to the prior payment in full of the Indebtedness evidenced by the Senior Loan Documents (subject to Section 6(c) below), and (2) the liens, terms, covenants and conditions of the Subordinate Mortgage and the other Subordinate Loan Documents are and shall be subject to and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Security Instrument and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (A) protecting or further securing the lien of the Senior Security Instrument, curing defaults by Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Loan Documents, or (B) constructing, renovating, repairing, furnishing, fixturing or equipping the Mortgaged Property, collectively, "**Protective Advances**"). Other than with respect to Protective Advances, nothing in this Section 6(a) shall be deemed to be a consent by the Subordinate Lender to any advance made by the Senior Lender which has the effect of increasing the original principal balance of the Senior Loan.

**(b) Subordination of Subrogation Rights.**

Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Mortgaged Property which (but for this subsection) would be senior to the lien of the Senior Security Instrument, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Security Instrument.

**(c) Payments Before Senior Loan Default.**

Until Subordinate Lender receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

**(d) Payments After Senior Loan Default.**

Borrower agrees that, after it receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. Subordinate Lender agrees that, after it receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, it will not accept any payments from Borrower under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorneys' fees, or any other sums secured by the Subordinate Loan Documents) without Senior Lender's prior written consent. If Subordinate Lender receives written notice from Senior Lender that the Senior Loan Default which gave rise to Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by Senior Lender, the restrictions on payment to Subordinate Lender in this Section 6 shall terminate, and Senior Lender shall have no right to any subsequent payments made to Subordinate Lender by Borrower prior to Subordinate Lender's receipt of a new Default Notice from Senior Lender in accordance with the provisions of this Section 6(d).

**(e) Receipt of Payment Not Permitted Hereunder.**

If, after Subordinate Lender receives a Default Notice (or otherwise acquires actual knowledge) of a Senior Loan Default, Subordinate Lender receives any payments from Borrower under the Subordinate Loan Documents, or if Subordinate Lender receives any other payment or distribution of any kind from Borrower or from any other Person in connection with the Subordinate Loan or the Subordinate Loan Documents which Subordinate Lender is not permitted by this Agreement to retain for its own account, Subordinate Lender agrees to notify (telephonically or via email, followed by written notice) Senior Lender of Subordinate Lender's receipt of such amounts, and that such payment or other distribution will be received and held in trust for Senior Lender and unless Senior Lender otherwise notifies Subordinate Lender, will be promptly remitted, in kind, to Senior Lender, properly endorsed to Senior Lender, to be applied to

the principal of, interest on and other amounts due under the Senior Loan Documents in such order and in such manner as Senior Lender shall determine in its sole and absolute discretion. Subordinate Lender hereby irrevocably designates, makes, constitutes and appoints Senior Lender (and all Persons designated by Senior Lender) as Subordinate Lender's true and lawful attorney in fact in the Subordinate Lender's name, place and stead, with full power of substitution, to (1) take any and all actions as are permitted in this Agreement, including the power to endorse the name of Subordinate Lender upon any checks representing payments referred to in this subsection, and (2) carry out any remedy provided for in this Agreement. The Subordinate Lender hereby acknowledges that the constitution and appointment of such attorney-in-fact is coupled with an interest and is irrevocable.

**(f) Notice of Payment from Other Persons.**

Subordinate Lender agrees to notify (telephonically or via email, followed by written notice) Senior Lender of Subordinate Lender's receipt from any Person other than LIFT of a payment with respect to LIFT's obligations under the Subordinate Loan Documents, promptly after Subordinate Lender obtains knowledge of such payment.

**(g) Agreement Not to Commence Bankruptcy Proceeding.**

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

**7. Default Under Subordinate Loan Documents.**

**(a) Notice of Subordinate Loan Default and Cure Rights.**

Subordinate Lender agrees to deliver a Default Notice of each Subordinate Loan Default to Senior Lender within five (5) Business Days after the occurrence of the Subordinate Loan Default. Senior Lender 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 Borrower under the Subordinate Loan Documents, except that Senior Lender'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 Senior Lender to cure a Subordinate Loan Default shall be deemed to have been advanced by Senior Lender pursuant to, and shall be secured by, the Senior Loan Agreement and the Senior Security Instrument.

**(b) Subordinate Lender May Not Exercise Remedies Without Senior Lender's Written Consent.**

If a Subordinate Loan Default occurs and is continuing, Subordinate Lender agrees that, without Senior Lender's prior written consent, it will not commence foreclosure proceedings with respect to the Mortgaged Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan (and enforcing any "due on sale" provision included in the

Subordinate Loan Documents), collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder.

**(c) Effect of Foreclosure by Subordinate Lender.**

Subordinate Lender acknowledges that any conveyance or other transfer of title to the Mortgaged Property pursuant to a foreclosure of the Subordinate Mortgage (including a conveyance or other transfer of title pursuant to the exercise of a power of sale contained in the Subordinate Loan Documents), 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 Subordinate Lender) who acquires title to the Mortgaged Property pursuant to the foreclosure proceeding (or pursuant to the exercise of a power of sale contained in the Subordinate Loan Documents) shall not be deemed to be automatically approved by Senior Lender.

**(d) Cross Default.**

Borrower and Subordinate Lender agree that any Subordinate Loan Default by Borrower shall constitute a Senior Loan Default under the Senior Loan Documents and Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default.

**8. Default Under Senior Loan Documents.**

**(a) Senior Loan Notices.**

Senior Lender shall deliver to Subordinate Lender a Default Notice within five (5) Business Days in each case where Senior Lender has given a Default Notice to Borrower. Failure of Senior Lender to send a Default Notice to Subordinate Lender shall not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents, nor shall such failure constitute a default by Senior Lender under this Agreement.

**(b) Cross Default.**

Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents.

**9. Conflict.**

Borrower and Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall control. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan



Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

## **10. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents.**

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

### **(a) Subordinate Loan Notices.**

Subordinate Lender shall deliver to Senior Lender a copy of each notice which it delivers to Borrower in connection with the Subordinate Loan simultaneously with the delivery of such notice to Borrower.

### **(b) Protection of Security Interest.**

Subordinate Lender shall not, without the prior written consent of Senior Lender in each instance, (1) take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that Subordinate Lender shall have the right to advance funds pursuant to the Subordinate Loan Documents for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Mortgaged Property and curing other defaults by Borrower under the Subordinate Loan Documents, or (2) appear in, defend or bring any action to protect its interest in the Mortgaged Property.

### **(c) Condemnation or Casualty.**

Following the occurrence of (1) a Condemnation Action, or (2) a fire or other casualty resulting in damage to all or a portion of the Mortgaged Property (collectively, a “**Casualty**”), at any time or times when the Senior Security Instrument remains a lien on the Mortgaged Property the following provisions shall apply:

(A) Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Condemnation Action or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation Action or a Casualty shall be and remain subject and subordinate in all respects to Senior Lender’s rights under the Senior Loan Documents, and Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Condemnation Action or a Casualty made by Senior Lender;

(B) all proceeds received or to be received on account of a Condemnation Action or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner determined by Senior Lender in its sole discretion; provided, however, that if Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be

applied by, Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents; and

(C) Subordinate Lender agrees to execute and deliver, at no expense to Senior Lender, all documents, instruments, agreements or further assurances required to effectuate the provisions of this subsection.

**(d) Insurance.**

Subordinate 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 Subordinate 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 Mortgaged 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 Mortgaged Property.

**(e) Termination of Subordinate Mortgage.**

If, after the occurrence of a Senior Loan Default, Senior Lender acquires title to the Mortgaged Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Senior Loan Documents, the lien of the Subordinate Mortgage and the other Subordinate Loan Documents shall automatically terminate upon Senior Lender's acquisition of title.

**(f) No Modification of Subordinate Loan Documents.**

Borrower and Subordinate Lender each agree that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender in each instance, (1) amend, modify, increase, extend, renew or replace the Subordinate Loan Documents or (2) assign any interest in the Subordinate Loan. Any unauthorized amendment of the Subordinate Loan Documents or assignment of Subordinate Lender's interest in the Subordinate Loan without Senior Lender's consent shall be void ab initio and of no effect whatsoever.

**11. Modification or Refinancing of Senior Loan Documents.**

Subordinate Lender consents to any agreement or arrangement in which Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing); and that all the terms and covenants of this Agreement shall inure to the benefit of any holder of any such refinanced debt; and that all references to the Senior Loan, the Senior Note, the Senior Loan Agreement, the Senior Security Instrument, the Senior Loan Documents and Senior Lender shall mean, respectively, the refinance loan, the refinance note, the

loan agreement, the mortgage securing the refinance note, all documents evidencing, securing or otherwise pertaining to the refinance note and the holder of the refinance note. Notwithstanding the foregoing, without the prior written consent of the Subordinate Lender, the Subordinate Lender's agreement and consent as provided in this Section 11 shall not apply to any modification, amendment, refinance or replacement of the Senior Loan or any Senior Loan Document which has the effect of increasing the outstanding principal balance of the Senior Loan in excess of the outstanding principal balance of the Senior Loan together with such reasonable and necessary closing and/or refinancing costs plus Protective Advances.

## **12. Default by Subordinate Lender.**

If Subordinate Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by Subordinate Lender under this Agreement, Senior Lender shall have the right to all available legal and equitable relief. In addition, Subordinate Lender agrees to indemnify and hold harmless Senior Lender from and against (a) all damage, loss and liability incurred by Senior Lender as a result of such default, and (b) all costs and expenses (including reasonable attorneys' fees and disbursements) incident to the matters referred to in clause (a), whether or not litigation is commenced.

## **13. Reinstatement.**

To the extent that Borrower makes a payment to Senior Lender or Senior Lender receives any payment or proceeds of the collateral securing the Senior Loan for Borrower's benefit, which payment or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable doctrine, then to the extent of such payment or proceeds received and not retained by Senior Lender, this Agreement shall be reinstated and continue in full force and effect until full and final payment shall have been made to Senior Lender. Subordinate Lender agrees to hold in trust for Senior Lender and promptly remit to Senior Lender any payments received by Subordinate Lender after such invalidated, rescinded or returned payment was originally made.

## **14. Non-Approval of Subordinate Financing Terms.**

This Agreement does not constitute an approval by Senior Lender of the terms of the Subordinate Loan or limit any of Borrower's rights to negotiate the terms of the Subordinate Loan Documents with Subordinate Lender. Further, this Agreement shall not be construed to provide to Subordinate Lender any rights against Borrower or its assets unless such rights are contained in the Subordinate Loan Documents.

## **15. Notices.**

### **(a) Process of Serving Notice.**

All notices under this Agreement shall be:

- (1) in writing and shall be:

- (A) delivered, in person;
  - (B) mailed, postage prepaid, either by registered or certified delivery, return receipt requested;
  - (C) sent by overnight courier; or
  - (D) sent by electronic mail with originals to follow by overnight courier;
- (2) addressed to the intended recipient at the address(es) below the signature block, as applicable; and
- (3) deemed given on the earlier to occur of:
- (A) the date when the notice is received by the addressee; or
  - (B) if the recipient refuses or rejects delivery, the date on which the notice is so refused or rejected, as conclusively established by the records of the United States Postal Service or any express courier service.

**(b) Change of Address.**

Any party to this Agreement may change the address to which notices intended for it are to be directed by means of notice given to the other parties identified in this Agreement.

**(c) Receipt of Notices.**

Senior Lender, Subordinate Lender or Borrower shall not refuse or reject delivery of any notice given in accordance with this Agreement. Each party is required to acknowledge, in writing, the receipt of any notice upon request by the other party.

**16. General.**

**(a) Assignment/Successors.**

This Agreement shall be binding upon and shall inure to the benefit of the respective legal successors, transferees and assigns of Borrower, Senior Lender and Subordinate Lender. Borrower shall not assign any of its rights and obligations under this Agreement without the prior written consent of Senior Lender and Subordinate Lender, however Subordinate Lender's written consent shall not be required for any transfer pursuant to foreclosure or deed-in-lieu of foreclosure.

**(b) No Partnership or Joint Venture.**

Senior Lender's permission for the placement of the Subordinate Loan does not constitute Senior Lender as a joint venturer or partner of Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

**(c) Senior Lender's Consent.**

Wherever Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by Senior Lender in its sole and absolute discretion.

**(d) Further Assurances.**

Upon the demand of Senior Lender from time to time, Subordinate Lender agrees to execute and deliver all additional instruments and/or documents required by Senior Lender in order to evidence that the Subordinate Mortgage is subordinate to the lien, covenants and conditions of the Senior Loan Documents, or to further evidence the intent of this Agreement.

**(e) Amendment.**

This Agreement shall not be amended except by written instrument signed by all parties hereto.

**(f) Governing Law.**

This Agreement shall be governed by the laws of the jurisdiction in which the Mortgaged Property is located without giving effect to any choice of law provisions thereof that would result in the application of the laws of another jurisdiction. Senior Lender, Subordinate Lender and Borrower agree that any controversy arising under or in relation to this Agreement shall be litigated exclusively in the jurisdiction in which the Mortgaged Property is located. The state and federal courts and authorities with jurisdiction in such locale shall have exclusive jurisdiction over all controversies that arise under or in relation to this Agreement. The parties hereto irrevocably consent to service, jurisdiction, and venue of such courts for any such litigation and waive any other venue to which any might be entitled by virtue of domicile, habitual residence or otherwise.

**(g) Severable Provisions.**

If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

**(h) Term.**

The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (1) the payment in full of the principal of, interest on and other amounts payable under the Senior Loan Documents; (2) the payment in full of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to Section 6 of this Agreement, or the Subordinate Loan and the Subordinate Loan Documents are marked canceled by the Subordinate Lender; (3) the acquisition by Senior Lender of title to the Mortgaged Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Senior Loan Documents; or (4) the acquisition by Subordinate

Lender of title to the Mortgaged Property pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in), the Subordinate Loan Documents, but only if such acquisition of title does not violate any of the terms of this Agreement.

**(i) Counterparts.**

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

**(j) Sale of the Senior Loan.**

Nothing in this Agreement shall limit Senior Lender's (including any assignee or transferee of Senior Lender) right to sell or transfer the Senior Loan, or any interest in the Senior Loan. The Senior Loan or a partial interest in the Senior Loan (together with this Agreement and the other Loan Documents) may be sold one or more times without prior notice to Subordinate Lender or Borrower.

**[Remainder of Page Intentionally Blank]**

**[DOCUMENT EXECUTION PAGES FOLLOW]**

IN WITNESS WHEREOF, Borrower, Senior Lender and Subordinate Lender have signed and delivered this Agreement under seal (where applicable) or have caused this Agreement to be signed and delivered under seal (where applicable) by a duly authorized representative. Where applicable law so provides, Borrower, Senior Lender and Subordinate Lender intend that this Agreement shall be deemed to be signed and delivered as a sealed instrument.

SENIOR LENDER:

**GRANDBRIDGE REAL ESTATE CAPITAL LLC,**  
a North Carolina limited liability company

By: \_\_\_\_\_  
Brett N. Blackwood  
Senior Vice President

Address:  
3000 Riverchase Galleria, Suite 1020  
Birmingham, AL 35244  
Attention: Head of Loan Servicing

With a copy to:  
Fannie Mae  
Attention: Multifamily Asset  
Management  
Drawer AM  
1100 15th Street, NW  
Washington, DC 20005

**ACKNOWLEDGMENT**

STATE OF ALABAMA

COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 2020, by Brett N. Blackwood, Senior Vice President of Grandbridge Real Estate Capital LLC, a North Carolina limited liability company, on behalf of the limited liability company. He is personally known to me or has produced \_\_\_\_\_ (type of identification) as identification.

\_\_\_\_\_  
Notary Public  
Print Name: Ashley Bishop  
My commission  
expires: \_\_\_\_\_

SUBORDINATE LENDER:

**CITY OF ORLANDO**, a Florida municipal corporation

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: 400 South Orange Avenue  
Orlando, FL 32801

ATTEST:

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

STATE OF FLORIDA                    )  
  )  
COUNTY OF ORANGE                )

ss:

The foregoing Subordination Agreement in favor of Grandbridge Real Estate Capital LLC was acknowledged before me by means of [ ] physical presence or [ ] online notarization this \_\_\_\_ day of November, 2020, by \_\_\_\_\_, as \_\_\_\_\_ of **CITY OF ORLANDO**, a Florida municipal corporation, on behalf thereof. S/He [ ] is personally known to me or [ ] produced \_\_\_\_\_ as identification.

NOTARY STAMP:

\_\_\_\_\_  
Signature of Notary Public

\_\_\_\_\_  
Printed Name of Notary Public

**[DOCUMENT EXECUTION CONTINUES ON FOLLOWING PAGE]**





AGREED AND CONSENTED TO BY:

**LIFT:**

**LIFT ORLANDO COMMUNITY LAND, LLC**, a Florida limited liability company

By: Lift Orlando, Inc., a Florida non-profit corporation, its sole member and Manager

By: \_\_\_\_\_  
Eddy Moratin, President

(CORPORATE SEAL)

Address: 2043 Jacobs Place  
Orlando, Florida 32805

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing Subordination Agreement in favor of Grandbridge Real Estate Capital LLC was acknowledged before me by means of  physical presence or  online notarization this \_\_\_\_ day of November, 2020, by Eddy Moratin, as President of LIFT Orlando, Inc., a Florida not for profit corporation, as Manager of **LIFT ORLANDO COMMUNITY LAND, LLC**, a Florida limited liability company, on behalf of said corporation and said limited liability company, and who  is personally known to me or  has produced \_\_\_\_\_ as identification. \_\_\_\_\_

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public Signature

\_\_\_\_\_  
(Name typed, printed or stamped)

EXHIBIT A

LOT 1, BLOCK C, TAMORANGE, ACCORDING TO THE MAP OR PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 19, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

NOW KNOWN AND DESCRIBED AS:

LOT 1, PENDANA AT WEST LAKES, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 96, PAGE 150, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.