



The undersigned hereby affirm that this document submitted for recording does not contain the social security number of any person or persons (per NRS 239B.030).

APN: 1320-30-410-014

After Recording, please return to

Tacy A. Hartman, Esq.
c/o Van Cott, Bagley, Cornwall
& McCarthy
P.O. Box 45340
Salt Lake City, Utah 84145-0340

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is effective as of the 27th day of June, 2011 by and between the Nevada Housing Division, a Division of the Department of Business and Industry of the State of Nevada acting for itself and for the benefit of the United States Department of the Treasury, including the United States of America acting through the Treasury (the "Subordinated Lender") and UTAH COMMUNITY REINVESTMENT CORPORATION ("UCRC").

RECITALS

A. Minden Pacific Associates, LP a Nevada limited partnership ("Borrower"), is the owner of certain real property located in Douglas County, State of Nevada, which property is more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein (the "Tract").

B. Borrower has requested that UCRC lend Borrower the sum of EIGHT HUNDRED SIXTY TWO THOUSAND AND NO/100 DOLLARS (\$862,000.00) (the "Subject Property Loan") for permanent financing of the Subject Property, and the improvements thereon, such obligation to be evidenced by a certain Promissory Note (the "Note") dated as of even date herewith, and secured by, among other things, first liens covering, respectively, the Tract and personal property related thereto (collectively, the "Subject Property"), as described in and evidenced by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Deed of Trust") dated as of even date herewith, and executed by the Borrower in favor of UCRC, and a financing statement naming Borrower as Debtor and UCRC as Secured Party (the "Financing Statement") filed with the Nevada Secretary of State on or about the date hereof. The Note, Deed of Trust, Financing Statement and all other documents evidencing or securing the Subject Property Loan are hereinafter collectively referred to as the "Loan Documents."



C. Subordinated Lender is the beneficiary under that certain Deed of Trust and Security Agreement (Recapture) Section 1602 Program (Non-Recourse) (the "Subordinated Lender Trust Deed") dated December 30, 2009, executed by Borrower, as Trustor and recorded in the official records of the Recorder's Office of Douglas County, State of Nevada (the "Douglas County Recorder's Office"), on January 21, 2010, as Document No. 757487 in Book 110 at Page 3936 *et seq.* The Subordinated Lender Trust Deed, together with that certain Section 1602 Subaward Agreement dated executed in connection therewith and recorded in the official records of the Douglas County Recorder's Office as Document No. 757488 in Book 110 at Page 3957 *et seq.* (the "1602 Agreement"), that certain Financing Statement bearing an initial Filing No. of 2010001813-7, as amended by Filing No. 2010001817-5, and that certain Financing Statement bearing an initial Filing No. of 2011015794-3, each filed with the Nevada Secretary of State (collectively, the "Subordinated Lender Financing Statement"), encumber the Subject Property and personal property related thereto and secure indebtedness to the Subordinated Lender under that certain Promissory Note Section 1602 Program Nevada Housing Division in the principal sum of FOUR MILLION FOUR HUNDRED SIXTY THOUSAND FIVE HUNDRED FORTYAND NO/100 DOLLARS (\$4,460,540.00), dated December 30, 2009 (the "Subordinated Lender Note"). The Subordinated Lender Note, the Subordinated Lender Trust Deed, the 1602 Agreement, the Subordinated Lender Financing Statement, and all other documents evidencing or securing the Subordinated Lender Note, except and excluding the LURA (as hereinafter defined) are hereinafter collectively referred to as the "Subordinated Lender Loan Documents."

D. As one of the conditions of the loan from Subordinate Lender, a Land Use Restriction Agreement and Declaration of Restrictive Covenants Running with the Land for Grant of Funds in Lieu of Low- Income Housing Tax Credits Under Section 1602 of the American Recovery and Reinvestment Act of 2009 dated December 30, 2009 (the "Declaration") was recorded against the Property on January 21, 2010 as Document No. 757486 in Book 110 at Page 3917 *et seq.*, Official Records, Douglas County Recorder's Office, as modified by a First Amendment to Land Use Restriction Agreement and Declaration of Restrictive Covenants Running with the Land for Grant of Funds in Lieu of Low- Income Housing Tax Credits Under Section 1602 of the American Recovery and Reinvestment Act of 2009 (the "First Amendment to Declaration") dated and recorded on March 15, 2010 as Document No. 760175 in Book 310 at Page 3211 *et seq.*, and re-recorded to correct the sponsor's signature block and notary acknowledgement on April 29, 2010 as Document No. 762797 in Book 410 at Page 5557 *et seq.*, Official Records, Douglas County Recorder's Office The Declaration and First Amendment to Declaration hereinafter collectively referred to herein as the "LURA".

E. In connection with the Subject Property Loan to Borrower, Borrower has agreed to procure this Agreement to be executed by the Subordinated Lender and delivered to UCRC.

F. It is a condition precedent to UCRC making the Subject Property Loan that the Subject Property Loan shall be and remain at all times prior and superior to any indebtedness owed by Borrower to Subordinated Lender, and that the Deed of Trust and the security interests and all other rights granted under the Loan Documents shall be and remain at all times a lien or charge upon the Subject Property and personal property related thereto prior and superior to the



lien or charge of the Subordinated Lender Trust Deed, the 1602 Agreement, the Subordinated Lender Financing Statement and all other Subordinated Lender Loan Documents, in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. That the Loan Documents securing the Note in favor of UCRC, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Subordinated Lender Trust Deed, the 1602 Agreement, the Subordinated Lender Financing Statement and to any claim to such property by Subordinated Lender. Notwithstanding the forgoing the priority of the LURA shall not be affected by this agreement.

2. That UCRC would not make its loan above-described or disburse funds thereafter without this subordination agreement.

3. This agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Subordinated Lender Trust Deed, the 1602 Agreement and the Subordinated Lender Financing Statement to the lien or charge of the Loan Documents and shall supersede and cancel, but only insofar as would affect the priority between the documents hereinbefore specifically described, any prior agreements as to such subordination.

4. This Agreement shall not alter or modify the obligations of Borrower to Subordinated Lender under the Subordinated Lender Loan Documents, the LURA, or any other documents or instruments currently existing or entered into in the future between Subordinated Lender and Borrower, except to the extent that such obligations do or would require maintaining a superior lien position of the Subordinate Lender Trust Deed, the 1602 Agreement or the Subordinated Lender Financing Statement.

Subordinated Lender declares, agrees, and acknowledges that:

a. UCRC may without affecting the subordination of the Subordinated Lender Loan Documents (1) release or compromise any obligation in the Loan Documents, (2) release its liens in, or surrender, release or permit any substitution or exchange of all or any part of any properties securing repayment of the Note or (3) retain or obtain a lien in any property to further secure payment of the Note.

b. It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Subordinated Lender Trust Deed, the 1602 Agreement and the Subordinated Lender Financing Statement in favor of the lien or charge upon said land in the Loan Documents, and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made, and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into



which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

5. All notices expressly provided hereunder to be given shall be in writing and shall be (i) hand-delivered, effective upon receipt, (ii) sent by United States Express Mail or by private overnight courier, effective upon receipt, or (iii) served by certified mail. Any such notice or demand served by certified mail, return receipt requested, shall be deposited in the United States mail, with postage thereon fully prepaid and addressed to the party so to be served at its address stated below or at such other address of which said party shall have theretofore notified in writing, as provided above, the party giving such notice. Service of any such notice or demand so made shall be deemed effective on the day of actual delivery as shown by the addressee's return receipt or the expiration of three (3) business days after the date of mailing, which ever is the earlier in time. Notices to be served hereunder shall be addressed to the appropriate address set forth below, or at such other place as the parties may from time to time designate in writing by ten (10) days prior written notice thereof:

If to Subordinated Lender:

Nevada Housing Division
1535 Old Hot Springs Rd., Suite 50
Carson City, Nevada 89706
Attention: Chief of Federal Programs
Facsimile: (775) 687-4040

With a copy to:

Robison, Belaustegui, Sharp & Low
71 Washington Street
Reno, Nevada 89503
Attention: Stefanie T. Sharp, Esq.
Facsimile: (775) 329-7941

If to UCRC:

UTAH COMMUNITY REINVESTMENT
CORPORATION
Attn: Steven L. Graham, President
475 East 200 South, Suite 210
Salt Lake City, Utah 84111

6. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Nevada.

7. This Agreement may be signed in multiple counterparts with the same effect as if all signatories had executed the same instrument.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

SUBORDINATED LENDER:

NEVADA HOUSING DIVISION

By: *Charles L. Horsey, III*
Charles L. Horsey, III
Its: Administrator

STATE OF NEVADA)
 : ss.
COUNTY OF Washoe

The foregoing instrument was acknowledged before me this 21st day of June, 2011, by Charles L. Horsey, III, who, being duly sworn, did say that he is the Administrator of NEVADA HOUSING DIVISION and that the foregoing instrument was signed on behalf of the NEVADA HOUSING DIVISION, and that the aforesaid agency executed the same.

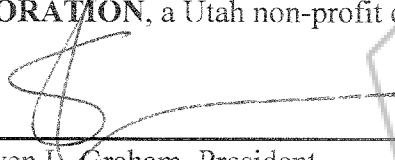


Heather Dericco
Notary Signature and Seal



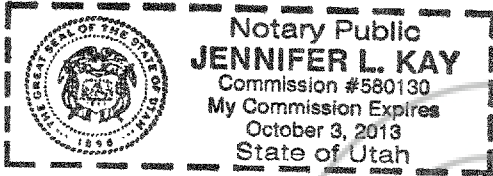
UCRC:

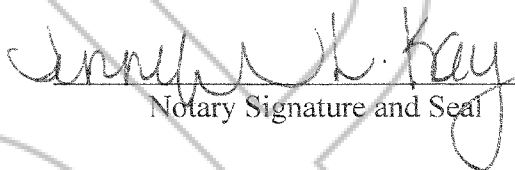
UTAH COMMUNITY REINVESTMENT CORPORATION, a Utah non-profit corporation

By: 
Steven L. Graham, President

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 7th day of June, 2011, by Steven L. Graham, the President of UTAH COMMUNITY REINVESTMENT CORPORATION, a Utah non-profit corporation.




Notary Signature and Seal





By: **ROOPE L.L.C., AN IDAHO LIMITED LIABILITY COMPANY**

an Idaho limited liability company

Its: General Partner

By: 

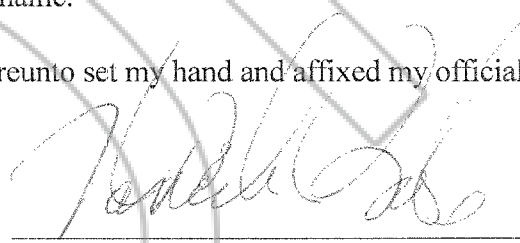
Caleb Roope

Its: Manager

STATE OF IDAHO)
) : ss.
COUNTY OF Ada)

On this 3rd day of June, 2011, before me the undersigned, a Notary Public in and for said state, personally appeared Caleb Roope known or identified to me to be the Manager of ROOPE L.L.C., AN IDAHO LIMITED LIABILITY COMPANY, an Idaho limited liability company, a general partner of the partners in the limited partnership of MINDEN PACIFIC ASSOCIATES, A NEVADA LIMITED PARTNERSHIP, a Nevada limited partnership, and a partner who subscribed said partnership's name to the foregoing instrument, and acknowledged to me that such Roope L.L.C. executed the same in said partnership name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public for Idaho

Residing at _____ Residing in Meridian, Idaho

My commission expires _____ My Commission expires: 11-12-2016

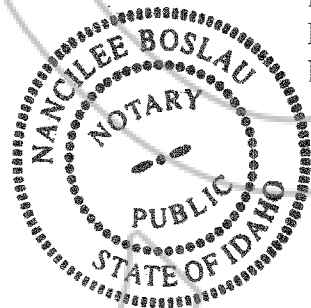




EXHIBIT A

(Legal Description of the Property)

ALL THAT REAL PROPERTY situate in the County of Douglas, State of Nevada, described as follows:

A portion of Parcel 3 as shown on the map of WESTWOOD VILLAGE UNIT NO.4, Phase A, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on September 29, 1992, in Book 992, Page 5212, as Document No. 289477, more particularly described as follows:

COMMENCING at the Northwest corner of Parcel 3 as shown on Westwood Village Unit No. 4, Phase A, filed for record September 29, 1992 in the office of Recorder, Douglas County, Nevada in Book 992, Page 5212, as Document No. 289477; thence along the North line of said Parcel 3, South 89°20'23" East, 12.00 feet to the point of beginning; thence continuing along said North line, South 89°20'23" East, 627.00 feet to the East line of said parcel 3; thence along said East line, South 00°49'00" West, 133.41 feet to the North right-of-way line of Mahogany Drive; thence along said right-of-way line the following three courses; North 89°11'00" West, 209.34 feet to the beginning of a curve, concave to the North; along the arc of said curve, having a radius of 470.00 feet, central angle of 21°02'00", arc length of 172.54 feet; and chord bearing and distance of North 78°40'00" West, 171.57 feet; North 68°09'00" West, 266.73 feet; thence North 00°39'37" East, 4.65 feet to the point of beginning.

The Basis of Bearing of this description is North 89°20'23" West, the North line of said Parcel 3.

Note: The above metes and bounds description appeared previously in that certain Deed recorded in the office of the County Recorder of Douglas County, Nevada, on June 11, 2008 as Document No. 724839 of Official Records.