SUBORDINATION AGREEMENT

Return to:	Deborah L. McKenney, Esquire Blanco Tackabery & Matamoros, P.A. P.O. Drawer 25008, Winston-Salem, NC 27114-5008			
Drafted by:	Deborah L. McKenney, Esquire			
STATE OF N	ORTH CAROLINA)			
COUNTY OF	BUNCOMBE)			
effective as or	SUBORDINATION AGREEMENT (this "Subordination") made and entered into f the day of, 2020, by BUNCOMBE COUNTY (the or the benefit of NORTH CAROLINA HOUSING FINANCE AGENCY			
<u>WITNESETH:</u>				
trustee (the '(the "County lin the Office of trust lien and	REAS, East Haven Apartments, LLC ("Borrower") executed to Michael C. Frue, as "County Trustee"), for the benefit of the County, a certain Deed of Trust Deed of Trust"), which was recorded on May 31, 2019 in Book 5775, Page 1038, of the Register of Deeds of Buncombe County, North Carolina, conveying a deed of security interest in certain property located in Buncombe County, North Carolina rein in the Office of the Register of Deeds of Buncombe County, North Carolina, "); and			
WHEREAS, Borrower has executed a Deed of Trust, Assignment of Rents and Leases, and Security Agreement (the "RPP Deed of Trust") to S. Carrie Freeman, as trustee ("NCHFA Trustee"), in favor of NCHFA which secures a Promissory Note dated				

WHEREAS, as a condition to entering into the RPP Note, NCHFA is also requiring that
Borrower enter into (i) a Declaration of Deed Restrictions from Borrower for the benefit of
NCHFA (the "RPP Deed Restrictions") which is recorded at Book, Page,
Buncombe County Register of Deeds; and (ii) a UCC Financing Statement naming Borrower as
debtor and NCHFA as secured party (the "RPP UCC") which is recorded at Book, Page
, Buncombe County Register of Deeds; and

WHEREAS, Borrower has requested that the County consent to the filing of the RPP Deed of Trust, the RPP Deed Restrictions and the RPP UCC as a lien and to subordinate the lien of the County Deed of Trust to the right, title, and interest of NCHFA and the NCHFA Trustee and their successors and assigns in and to the RPP Deed of Trust, the RPP Deed Restrictions and the RPP UCC, and the County has agreed to do so on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the premises and the sum of ONE DOLLAR (\$1.00), in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County does hereby consent to the RPP Deed of Trust, the RPP Deed Restrictions and the RPP UCC as a lien against the property described therein and further does hereby subordinate the lien of the County Deed of Trust to the right, title and interest of NCHFA and the NCHFA Trustee and their successors and assigns in and to all rights set forth in the RPP Deed of Trust, the RPP Deed Restrictions and the RPP UCC to the same extent as if the RPP Deed of Trust, the RPP Deed Restrictions and the RPP UCC were recorded prior to the County Deed of Trust; provided, however, that it is expressly understood and agreed that, except for this Subordination Agreement, the County Deed of Trust and all and singular of the terms and conditions thereof, shall be and remain in full force and effect and unmodified hereby; and it is further understood and agreed that this Subordination Agreement shall apply only to the RPP Deed of Trust, the RPP Deed Restrictions and the RPP UCC as expressly provided herein and that this Subordination Agreement shall not affect the priority of the County Deed of Trust with respect to any other document or interest.

[SEPARATE SIGNATURE PAGE FOLLOWS]

IN TESTIMONY WHEREOF, the County has caused this instrument to be executed, as of the day and year first above written.

	COUNTY:	
	BUNCOMBE COUNTY	(SEAL)
	By: Name: Title:	
STATE OF NORTH CAROLINA		
COUNTY OF	<u> </u>	
(s)he is corporate and politic, and that (s)he voluntarily executed the foregoing of		rth Carolina body thorized to do so, ed therein.
	Notary Public	
My Commission Expires:		
[AFFIX NOTARY SEAL/STAMP]		