

**2020-004878**

**Klamath County, Oregon**

**04/16/2020 01:21:54 PM**

**Fee: \$192.00**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Orrick, Herrington & Sutcliffe LLP  
1120 NW Couch Street, Suite 200  
Portland, Oregon 97209  
Attention: Angie Gardner

PRIORITY AND SUBORDINATION AGREEMENT  
(Sunrise Vista Apartments Project)

THIS PRIORITY AND SUBORDINATION AGREEMENT (this "Agreement") is made as of April 1, 2020 by and among: ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association, as bond trustee (the "Trustee") under the Indenture (as defined below); the STATE OF OREGON (the "State") acting by and through its STATE TREASURER, (the "Treasurer") and its HOUSING AND COMMUNITY SERVICES DEPARTMENT ("OHCS"); UMPQUA BANK, an Oregon banking corporation, as lender and bondholder (the "Lender"); SUNRISE VISTA APARTMENTS, LLC, an Oregon limited liability company (the "Borrower" or the "Ground Lessee"); LDA-SVA DEVELOPMENT, LLC, an Oregon limited liability company, as managing member of the Borrower (the "Managing Member"); and the KLAMATH HOUSING AUTHORITY, a public body corporate and politic of the State of Oregon (the "Authority" or the "Ground Lessor"). The Issuer (as defined below), the Lender and the Trustee are referred to herein as the "Bond Parties." The Bond Parties and all other parties to this Agreement are collectively referred to herein as the "Parties." This Agreement shall be recorded against the Ground Lessor's fee interest and the Borrower's leasehold interest in property legally described in Exhibit A attached hereto (the "Property") created under the Ground Lease (as described below), together with its right, title and interest in and to the improvements to such Property.

RECITALS

A. The State acting by and through its Treasurer and OHCS (collectively, the "Issuer") has determined it to be in the best interests of the Issuer to issue and sell its Oregon Housing and Community Services Department Housing Development Revenue Bonds (Sunrise Vista Apartments Project) 2020 Series D-1, in the aggregate principal amount of \$2,450,000 (the "2020D-1 Bond"), and its Oregon Housing and Community Services Department Housing Development Revenue Bonds (Sunrise Vista Apartments Project) 2020 Series D-2, in the aggregate principal amount of \$5,650,000 (the "2020D-2 Bond" and together with the 2020D-1 Bond, the "Bonds"), to finance costs incurred by the Borrower for the acquisition, development, construction and/or equipping of a 58-unit multifamily housing development on the Property located in the City of Klamath Falls, in Klamath County, Oregon, to be known as "Sunrise Vista Apartments" (such development being defined herein as the "Project").

B. The Borrower has requested that the Issuer provide such financing for the Project by issuing the Bonds pursuant to a Trust Indenture between the Issuer and the Trustee

dated as of April 1, 2020 (the "Indenture") and using the proceeds of the Bonds derived from the sale of the Bonds to the Lender to fund a loan to the Borrower (the "Bond Loan") to finance a portion of the costs of the Project pursuant to a Loan Agreement between the Issuer and the Borrower dated as of April 1, 2020 (the "Bond Loan Agreement").

C. The Bonds will be sold to the Lender who will purchase the Bonds by making advances to or at the direction of the Borrower to pay permitted Project costs pursuant to a Construction and Term Loan Agreement, dated as of April 1, 2020 by and between the Borrower and the Lender (the "Bank Loan Agreement"), the Indenture and the Bond Loan Agreement. The Bond Loan and the obligations of the Borrower with respect to the Bonds under the Bond Loan Agreement, the Bank Loan Agreement and the Indenture will be secured by, among other things, a Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing in favor of the Trustee, as beneficiary for the benefit of the Holders (as defined in the Indenture, and hereafter, the "Bondholders") and the Issuer (as may be assigned, amended, modified, restated and/or supplemented from time to time, the "Bond Trust Deed"), recorded April 16, 2020, as Recording No. 2020-004866, in the records of Klamath County, Oregon. The Bond Loan Agreement, the Bond Trust Deed, the Bank Loan Agreement and all other documents associated with the Bonds and the Bond Loan now or hereafter entered into, including all amendments, modifications, supplements and replacements thereof, are referred to herein as the "Bond Documents."

D. In connection with the issuance of the Bonds and the making of the LIFT Loan (as defined below), the Borrower has agreed to impose on the Project certain restrictions as set forth in the Regulatory Agreement, by and among OHCS, the Borrower and the Trustee, recorded April 16, 2020, as Recording No. 2020-004864, in the records of Klamath County, Oregon (the "Tax Regulatory Agreement"), and the Pass-Through Revenue Bond Program, Low Income Housing Tax Credit Program, Local Innovation and Fast Track Program & Multifamily Energy Program Operating Agreement and Declaration of Restrictive Covenants, by and between OHCS and the Borrower, recorded April 16, 2020, as Recording No. 2020-004865, in the records of Klamath County, Oregon (the "State Operating Agreement"). The Tax Regulatory Agreement, the State Operating Agreement, the LIHTC Declaration (as defined below) and all other documents associated with Project affordability and the related Low Income Housing Tax Credits for the Project now or hereafter entered into, including all amendments, modifications, supplements and replacements thereof, are referred to herein as the "Department Documents."

E. OHCS and the Borrower are parties to a Local Innovation and Fast Track Housing Program Loan Agreement (Construction and Permanent), dated as of April 1, 2020 (the "LIFT Loan Agreement"), for a loan to the Borrower in the maximum principal amount of \$7,225,702, as described below (the "LIFT Loan"). The LIFT Loan is evidenced by a Promissory Note from the Borrower in favor of OHCS in the amount of the LIFT Loan (the "LIFT Note"), and secured by a Local Innovation and Fast Track Housing Program Line of Credit Trust Deed, Security Agreement, Fixture Filing and Assignment of Leases and Rents, recorded April 16, 2020, as Recording No. 2020-004867, in the records of Klamath County, Oregon (the "LIFT Trust Deed"). The LIFT Loan Agreement, the LIFT Note, the LIFT Trust Deed, the State Operating Agreement and all other documents associated with the LIFT Loan are referred to together herein as the "LIFT Loan Documents."

F. OHCS, the Lender and the Trustee are parties to a Local Innovation and Fast Track Housing Program Inter-Creditor Agreement, recorded April 16, 2020, as Recording No. 2020-004875, in the records of Klamath County, Oregon (the "LIFT Intercreditor Agreement"), providing for a joint-shared first lien position on the Project for the Bond Trust Deed and the LIFT Trust Deed and setting forth certain rights and remedies of the parties with respect to the Bonds and the LIFT Loan, including the rights of the Lender to take Enforcement Action and OHCS to exercise Operational Remedies as set forth and defined therein.

G. The Authority has been awarded \$136,943 in Multifamily Energy Program funds (the "MEP Grant") for use at the Project, and OHCS and the Authority have entered into a Multifamily Energy Program Grant Agreement and Declaration of Restrictive Covenants, dated as of April 1, 2020 (the "MEP Grant Agreement"), which has been assigned to and assumed by the Borrower pursuant to a Multifamily Energy Program Assignment and Assumption Agreement between the Borrower, OHCS and the Authority, dated as of April 1, 2020 and recorded April 16, 2020 (the "MEP Assignment"), under Recording No. 2020-004869, in the records of Klamath County, Oregon. The MEP Grant, the MEP Assignment and any and all other documents now or hereafter entered into in connection with such grant, including all amendments, modifications, supplements and replacements thereof, are referred to herein as the "Department MEP Documents."

H. The Authority will loan the proceeds of the MEP Grant to the Borrower (the "MEP Loan") pursuant to a Loan Agreement, dated as of April 1, 2020 (the "MEP Loan Agreement"), by and between the Authority and the Borrower. The MEP Loan will be evidenced by a Promissory Note executed by Borrower and payable to the Authority in the amount of the MEP Loan (the "MEP Note"), and will be secured by a Deed of Trust (the "MEP Deed of Trust"), which following the date hereof will be delivered to be recorded in the records of Klamath County, Oregon. The MEP Deed of Trust, the MEP Note, the MEP Loan Agreement and all other loan and security documents related to the MEP Loan, the "MEP Loan Documents."

I. In connection with the acquisition, development and construction of the Project, the Borrower received an award of Low Income Housing Tax Credits from OHCS in its capacity as the low-income housing tax credit allocating agency for the State of Oregon pursuant to which the Borrower will execute and deliver a 4% Low-Income Housing Tax Credit Declaration of Land Use Restrictive Covenants (the "LIHTC Declaration"), which following the date hereof will be delivered to be recorded in the records of Klamath County, Oregon. The LIHTC Declaration and all other documents now associated with or hereafter entered into, including all amendments, modifications, supplements and replacement thereof, are referred to herein as the "Tax Credit Documents."

J. In connection with the Borrower's leasehold interest in the Property on which the Project is located, granted pursuant to a Ground Lease Agreement, dated April 8, 2020 (the "Ground Lease"), between the Ground Lessor and the Ground Lessee, which Ground Lease is evidenced by that certain Memorandum of Ground Lease, between the Ground Lessor and the Ground Lessee, recorded on April 16, 2020, under Recording No. 2020-004857, in the records of Klamath County, Oregon, OHCS, the Ground Lessor and the Ground Lessee are parties to a Tripartite Agreement, Subordination and Declaration of Restrictive Covenants, dated

as of April 1, 2020 (the "Tripartite Agreement") and recorded on April 16, 2020, under Recording No. 2020-004868 in the records of Klamath County, Oregon.

K. The Managing Member and Hunt Capital Partners Tax Credit Fund 31, LP, a Delaware limited partnership, as investor member (the "Equity Investor"), have entered into an Amended and Restated Operating Agreement, dated as of April 1, 2020 (the "Equity Operating Agreement"), pursuant to which the rights, obligations and duties of such parties are set forth.

L. The Bond Documents, the Department Documents, the LIFT Loan Documents, the LIFT Intercreditor Agreement, the Department MEP Documents, the MEP Loan Documents, the Tax Credit Documents and the Tripartite Agreement are collectively referred to as the "Financing Documents."

M. The Parties enter into this Agreement in order to establish and confirm their relative rights and priorities regarding the Property and the Project under the Financing Documents as set forth herein; provided, that this Agreement shall be subject to the terms and conditions set forth in the LIFT Intercreditor Agreement.

#### AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements and undertakings herein contained, the Parties agree as follows:

1. Recitals. The Recitals above are hereby incorporated into this Agreement.
2. Priorities. Regardless of the time each Party's lien on or interest in the Property is created or recorded, such interests have and shall have the priorities set forth below:
  - (a) First Priority. When recorded, the LIHTC Declaration shall have first priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement will, upon recording, be made subordinate and subject to the rights and interests of OHCS under the LIHTC Declaration, *provided* that the LIHTC Declaration is subject to termination upon foreclosure or deed in lieu of foreclosure to the extent provided in Section 42(h)(6)(E)(i)(I) of the Internal Revenue Code of 1986, as amended (the "Code").
  - (b) Second Priority. The Tax Regulatory Agreement shall have second priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement will be subordinate and subject to the rights and interests of OHCS under the Tax Regulatory Agreement, *provided* that the Tax Regulatory Agreement is subject to termination upon foreclosure or deed in lieu of foreclosure as set forth in the Tax Regulatory Agreement. In the event of such termination, the tenant protections under Section 42(h)(6)(E)(ii) of the Code shall be applicable to the Project.
  - (c) Third Priority. The State Operating Agreement shall have third priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement will be subordinate and subject to the rights and

interests of OHCS under the State Operating Agreement, *provided* that the State Operating Agreement is subject to termination upon foreclosure or deed in lieu of foreclosure as set forth in the State Operating Agreement. In the event of such termination, the tenant protections under Section 42(h)(6)(E)(ii) of the Code shall be applicable to the Project.

(d) Fourth Priority. The Bond Trust Deed and the LIFT Trust Deed shall share fourth priority but shall constitute a first lien and security interest in the Property to secure the payment and performance of the Borrower's obligations under the Bond Documents and the LIFT Loan Documents, respectively, as set forth in and subject to the terms of the LIFT Intercreditor Agreement. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of (A) the Trustee, the Bondholders and the Issuer under the Bond Trust Deed and (B) OHCS under the LIFT Trust Deed. The Bond Trust Deed and the LIFT Trust Deed shall survive foreclosure of any lien with a lesser priority as established in this Agreement regardless of the recording order and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, for so long as such person shall retain an interest in the Property.

(e) Fifth Priority. The Tripartite Agreement shall have fifth priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement are hereby made subordinate and subject to the rights and interests of OHCS under the Tripartite Agreement. The Tripartite Agreement shall survive foreclosure of any lien with a lesser priority as established in this Agreement and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, for so long as such person shall retain an interest in the Property.

(f) Sixth Priority. The MEP Grant Agreement and MEP Assignment shall have sixth priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement will be subordinate and subject to the rights and interests of the OHCS under the MEP Grant Agreement and MEP Assignment. The MEP Grant Agreement and MEP Assignment shall survive foreclosure of any lien with a lesser priority as established in this Agreement and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, so long as such person shall retain an interest in the Property.

(g) Seventh Priority. When recorded, the MEP Deed of Trust shall have seventh priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement will be subordinate and subject to the rights and interests of the Authority under the MEP Deed of Trust. The MEP Deed of Trust shall survive foreclosure of any lien with a lesser priority as established in this Agreement and shall be binding upon any person that acquires the Property by means of such foreclosure or deed in lieu thereof or that is a successor to one who acquires the Property by such means, so long as such person shall retain an interest in the Property.

Any other right of any party to acquire the Property or any part thereof, including the Managing Member's option to purchase the Project pursuant to the terms of the Equity Operating Agreement, or pursuant to any other option or right of first refusal in any of the Financing Documents or otherwise, is hereby made subject and subordinate to each of the liens and interests described above in this Section 2.

For purposes of this Section 2, the lien or interest with "lesser priority" is the one with the higher numerical designation, so that, for example, "fifth priority" is a "lesser priority" than "fourth priority."

Except as may be specifically set forth in a separate agreement, the Parties agree that such Parties do not have any obligation to each other to advance funds or to see to the application of their respective loan or grant proceeds and that any application of such proceeds contrary to the terms of any loan or grant documents shall not defeat the subordinations granted herein in whole or in part.

3. Reliance. It is understood by the Parties hereto that the Bond Parties would not enter into their respective loan documents without this Agreement.

4. Applicability of Intercreditor Agreement. This Agreement is intended to summarize the relative priority of liens of the Parties as set forth in Section 2 above. Except with respect to such priority, this Agreement shall not be deemed to modify, amend or supersede the rights and obligations of OHCS, the Lender and the Trustee to and under the LIFT Intercreditor Agreement. In the event of a conflict between the terms of this Agreement and the terms of the LIFT Intercreditor Agreement, the terms of LIFT Intercreditor Agreement shall control.

5. Rents. Each of the Parties hereto acknowledges and consents to the Borrower's assignment of all leases, income, rents and profits of the Property pursuant to the Bond Trust Deed and the LIFT Trust Deed. The Parties acknowledge and agree that upon an Event of Default under the Bond Documents or the Department Documents, the Trustee or the Lender shall have the absolute right to collect all rents and profits from the Properties as provided in the Bond Trust Deed and in accordance with the LIFT Intercreditor Agreement.

6. Prohibited Payments. The Parties agree that upon receipt of a notice of an Event of Default from the Trustee or the Lender (as applicable), the other Parties will not accept any payments under or pursuant to their respective documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by liens with a lower priority than the Bond Trust Deed and the LIFT Trust Deed) without the Lender's prior written consent. If, after issuance of a notice of an Event of Default, any Party receives any payments under their respective documents, such Party agrees that such payment or other distribution will be received and held in trust for the benefit of the Lender and will be promptly remitted, in kind to the Trustee or the Lender, properly endorsed and to be applied to the principal of, interest on and other amounts due under the Bond Documents. By executing this Agreement, the Borrower specifically authorizes any Party that receives payments after the issuance of a notice of an Event of Default to endorse and remit any such payments to the Trustee or the Lender, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Borrower's obligations under any subordinate document. Payments received

by any Party, and remitted to the Trustee or the Lender for the benefit of the Lender to be applied toward obligations under the Bond Documents shall not be applied or otherwise credited against the obligations of the Borrower under such Party's subordinate documents, nor shall the tender of such payment to the Trustee or the Lender waive any subordinate loan default which may arise from the inability of a Party to retain such payment or apply such payment to its subordinate loan.

7. Actions by Lender and Trustee; Certain Waivers. The Lender and the Trustee, without the consent of or notice to any other Party, may enter into amendments of the Bond Trust Deed and the documents and obligations secured thereby (collectively, the "Senior Secured Documents") in any manner, may release any or all persons or entities liable for any obligation secured by the Senior Secured Documents, and may release any or all security for the obligations secured by the Senior Secured Documents, all without affecting the priorities, subordinations, rights or remedies established or granted under this Agreement. Each Party waives any right to require marshaling of assets or to require the Lender or the Trustee to proceed against or exhaust any specific security for the obligations secured by the Senior Secured Documents, and waives any and all defenses arising out of the loss or impairment of any right of subrogation to the lien of the Bond Trust Deed and the other Senior Secured Documents.

8. Provisions Pertaining to the Bonds. Until such time as the Bonds are paid in full, the following provisions shall apply:

(a) Insurance or Condemnation Proceeds. Notwithstanding any provision of any Party's deed of trust, mortgage, or other loan documents to the contrary, in the event of any damage to, destruction of, or taking or condemnation (including deed in lieu thereof) of the Property or any portion thereof, any insurance or condemnation proceeds shall be governed by the terms of the Bond Trust Deed. Any funds to be applied to repair or restoration shall be held and administered by the Lender in accordance with the Bond Documents, and the Lender shall be entitled to reasonable compensation for its services in connection with the administration of such funds, as set forth in the Bond Trust Deed, provided that if applicable law does not permit a lender to hold such proceeds then the Lender shall have the right to designate an insurance trustee to administer the proceeds consistent with the Bond Trust Deed, subject to applicable law. For so long as the Bond Trust Deed encumbers the Property, the Lender shall, subject to the rights and obligations of the Parties under the LIFT Intercreditor Agreement, have all approval, consent, and oversight rights in connection with any insurance claims relating to the Property and any decisions regarding the use of insurance or condemnation proceeds after a casualty loss or condemnation notwithstanding any rights of any other Party.

(b) Subordination of Subrogation Rights; Conflict. The Authority agrees that if, by reason of payment by the Authority of real estate taxes or other monetary obligations of the Borrower pursuant to the MEP Loan Documents, or by reason of the Authority's exercise of any other right or remedy under the MEP Loan Documents, the Authority acquires by right of subrogation or otherwise a lien on the Property that but for this Section 8(b) would be senior to the lien of the Bond Trust Deed and the LIFT Trust Deed, then in that event such lien of the Authority shall be subject and subordinate to the lien of the Bond Trust Deed and the LIFT Trust Deed. The Authority further agrees that, in the event of any conflict or inconsistency between the terms of the Bond Documents, the terms of the MEP Loan Documents, and the terms of this Agreement, the terms of this Agreement shall govern and

control: (i) the relative priority of the security interests of the Lender and/or the Trustee and the Authority in the Property, (ii) the timing of the exercise of remedies by the Lender and/or the Trustee and the Authority under the Bond Documents and the MEP Loan Documents, respectively, and (iii) all other rights and obligations that the Lender and/or the Trustee and the Authority have agreed to pursuant to this Agreement.

9. Authority's Agreement to Standstill. Until the Bonds have been repaid in full, the Authority agrees for the benefit of the Lender and its successors and assigns that the Authority shall not, without the Lender's prior written consent, accelerate its loan, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other enforcement action under the MEP Loan Documents with respect to the Property.

10. Acknowledgements. The Parties hereby each agree and acknowledge, as follows:

(a) For purposes of this Agreement, the Parties acknowledge that each has been provided the opportunity to review the documents described herein before executing this Agreement;

(b) Neither OHCS nor the Lender has made any warranty or representation of any kind or nature whatsoever to the Authority with respect to (i) the application of the proceeds of the Bond Loan, (ii) the value of the Property, the improvements to be constructed thereon, or the marketability or value thereof upon completion of such construction, or (iii) the ability of the Borrower or the Authority to honor its covenants and agreements with OHCS or the Lender;

(c) The release by OHCS or the Lender of any security for the Bond Loan, including, without limitation, the reconveyance of any portion of the Property from the lien of the Bond Trust Deed shall not constitute a waiver or relinquishment of the unconditional subordination of the liens or charges of the MEP Loan Documents against the Property to the lien or charge of the Bond Trust Deed or any other subordinations hereunder; and

(d) Neither OHCS nor the Lender, by reason of this Agreement, has any duty to disclose to the other Parties any facts that OHCS or the Lender may now know or hereafter know about the other Parties, or their constituent owners (direct and indirect) regardless of whether (i) OHCS or the Lender has reason to believe that any such facts may increase materially the risk beyond that which any other Party intends to assume, (ii) OHCS or the Lender may have reason to believe that such facts are unknown to another Party, or (iii) OHCS or the Lender has a reasonable opportunity to communicate such facts to another Party, it being understood and agreed that each such other Party is fully responsible for being and keeping informed of the financial condition of the Borrower and/or any partners, sponsors or successors of the Borrower and of all circumstances bearing on the risk of non-payment of any indebtedness or other obligations of the Borrower to the Parties as described in this Agreement.



11. Miscellaneous.

(a) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon and the laws of the United States of America.

(b) Successors; Assignment. This Agreement is for the benefit of Parties and their respective successors and assigns.

(c) Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when hand-delivered within normal business hours, when actually received by facsimile transmission during normal business hours, or two (2) business days after deposit in the U.S. mail, postage prepaid, to the Parties hereto at the addresses set forth below, or to such other place as a Party may from time to time designate for itself by notice to the other Parties. No transferee or successor of a Party hereto shall be entitled to notices or opportunity to cure defaults hereunder unless notice of the transfer is given in accordance with this subsection.

To Issuer: State of Oregon Housing and Community  
Services Department  
725 Summer Street NE, Suite B  
Salem, OR 97301-1266  
Attention: Debt Operations Manager  
Telephone: (503) 986-6897  
Email: OR.BondInvestor@oregon.gov

With a copy to: Orrick, Herrington & Sutcliffe LLP  
1120 NW Couch Street, Suite 200  
Portland, OR 97209  
Attention: Michael E. Schrader  
Telephone: (503) 943-4840  
Email: mschrader@orrick.com

To Trustee: Zions Bancorporation, National Association  
Corporate Trust Department  
1211 SW Fifth Avenue, Suite 1250  
Portland, OR 97204  
Attention: Corazon Gruenberg  
Telephone: (503) 548-1030  
Email: corazon.gruenberg@zionsbank.com

To Borrower: Sunrise Vista Apartments, LLC  
c/o Luckenbill-Drayton & Associates, LLC  
1007 NW Rimrock Drive  
Redmond, OR 97756  
Attention: Dee Luckenbill  
Telephone: (541) 728-1582  
Email: luknbill@qwestoffice.net

With a copy to: Rita L. Spears Law Firm  
5777 S. Rural Rd., #4  
Tempe, AZ 85283  
Attention: Rita Spears  
Telephone: (480) 966-8383  
Email: rita@rspearslaw.com

And with a copy to: Dagle Law Office, LLC  
9755 S.W. Barnes Road, Suite 695  
Portland, OR 97225  
Attention: Paul Dagle  
Telephone: (503) 546-4493  
Email: paul.dagle@daglelaw.com

To Lender: Umpqua Bank  
One SW Columbia Street, Suite 1170  
Portland, OR 97204  
Attention: Gina Leon  
Telephone: (503) 219-6195  
Email: ginaleon@umpquabank.com

With a copy to: Miller Nash Graham & Dunn LLP  
3400 U.S. Bancorp Tower  
111 SW 5th Avenue  
Portland, OR 97204-3699  
Attention: Catherine Shaw  
Telephone: (503) 205-2548  
Email: catherine.shaw@millernash.com

To Equity Investor: Hunt Capital Partners Tax Credit Fund 31, LP  
c/o Hunt Capital Partners  
15910 Ventura Blvd., Suite 1100  
Encino, CA 91436  
Attention: Jeffrey N. Weiss  
Facsimile: (818) 380-6101

With a copy to: Nixon Peabody LLP  
799 9th Street, NW, Suite 500  
Washington, D.C. 20001-5327  
Attention: Matthew M. Mullen

(d) Amendment. This Agreement may be amended, or any provision waived, only by a writing signed by each Party against which the amendment or waiver is sought to be enforced or asserted.

(e) Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and whether or not all Parties execute each counterpart.

(f) Completion of Recording Information. If this Agreement is signed without completion of certain recording information called for above, any Party hereto or any title insurance company acting on the instructions of any Party is hereby authorized to insert such information prior to recording this Agreement.

(g) Consent to Other Parties' Documents. By executing this Agreement, each Party hereby acknowledges and consents to the execution of, and where appropriate, the recording of, the documents referenced herein.

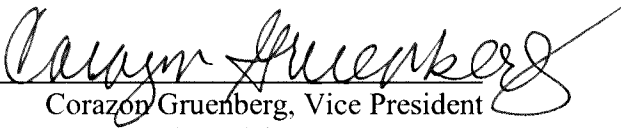
(h) Further Instruments. The Parties hereto shall execute and acknowledge such further documents and instruments as may be reasonably necessary from time to time to effectuate the intent of this instrument.

*[Signatures begin on the following page]*

IN WITNESS WHEREOF, the Parties hereto have duly executed and delivered into this Agreement as of the day and year first above written.

"TRUSTEE"

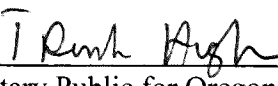
**ZIONS BANCORPORATION, NATIONAL  
ASSOCIATION**, as Trustee

By:   
Corazon Gruenberg, Vice President  
Zions Bank Division

STATE OF OREGON                     )  
  ) ss.  
COUNTY OF MULTNOMAH        )

This instrument was acknowledged before me this 16<sup>th</sup> day of April 2020, by Corzaon Gruenberg, as the Vice President, Zions Bank Division, of Zions Bancorporation, National Association, as Trustee, who executed the foregoing instrument.



  
Notary Public for Oregon  
My Commission Expires: 09/12/2021

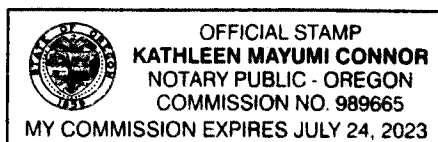
“ISSUER” and “OHCS”


**STATE OF OREGON, acting by and through its  
STATE TREASURER and its HOUSING AND  
COMMUNITY SERVICES DEPARTMENT**

By:   
Caleb Yant, Chief Financial Officer

STATE OF OREGON            )  
  ) ss.  
COUNTY OF MARION        )

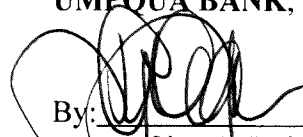
This instrument was acknowledged before me this 9<sup>th</sup> day of April 2020, by Caleb Yant, as the Chief Financial Officer of the State of Oregon Housing and Community Services Department, on behalf of the Issuer and Oregon Housing and Community Services, who executed the foregoing instrument.

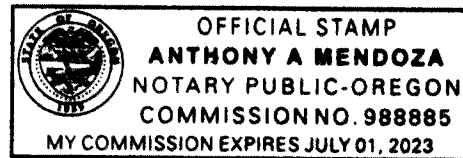


  
Notary Public for Oregon  
My Commission Expires: July 24, 2023

"LENDER"

UMPOUA BANK, as Lender

By:   
Gina A. León  
Vice President



STATE OF OREGON )  
                    Washington ) ss.  
COUNTY OF MULTNOMAH )

This instrument was acknowledged before me this 8<sup>th</sup> day of April 2020, by Gina A. León, as Vice President of Umpqua Bank, an Oregon banking corporation, as an authorized signatory for Umpqua Bank, who executed the foregoing instrument on behalf of the Lender.



Notary Public for Oregon

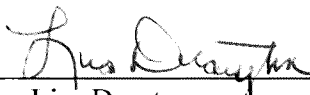
My Commission Expires: July 1, 2023

“BORROWER” and “GROUND LESSEE”

**SUNRISE VISTA APARTMENTS, LLC,**  
an Oregon limited liability company

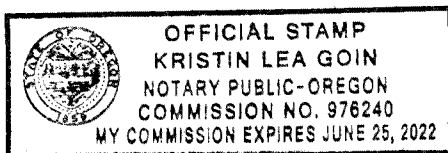
By: **LDA-SVA Development, LLC,**  
an Oregon limited liability company  
Its Managing Member


By: **Luckenbill-Drayton & Associates, LLC,**  
an Oregon limited liability company  
Its Manager

By:   
Lisa Drayton  
Manager

STATE OF OREGON                     )  
  ) ss.  
COUNTY OF DESCHUTES         )

This instrument was acknowledged before me this 7 day of April 2020 by Lisa Drayton, as Manager of Luckenbill-Drayton & Associates, LLC, an Oregon limited liability company, as Manager of LDA-SVA Development, LLC, an Oregon limited liability company, as the Managing Member of Sunrise Vista Apartments, LLC, an Oregon limited liability company, on behalf of the limited liability company, who executed the foregoing instrument.




  
Notary Public for Oregon  
My Commission Expires: June 25, 2022

"MANAGING MEMBER"

**LDA-SVA DEVELOPMENT, LLC,**  
an Oregon limited liability company


By: **Luckenbill-Drayton & Associates, LLC,**  
an Oregon limited liability company  
Its Manager

By:   
Lisa Drayton  
Manager

STATE OF OREGON                     )  
  ) ss.  
COUNTY OF DESCHUTES         )

This instrument was acknowledged before me this 7 day of April 2020 by Lisa Drayton, as Manager of Luckenbill-Drayton & Associates, LLC, an Oregon limited liability company, as Manager of LDA-SVA Development, LLC, an Oregon limited liability company, on behalf of the limited liability company, who executed the foregoing instrument.




  
Notary Public for Oregon  
My Commission Expires: June 25, 2022



“AUTHORITY” and “GROUND LESSOR”

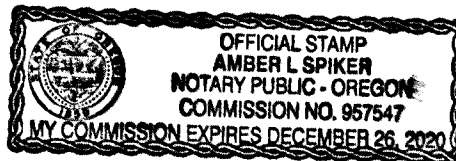
**KLAMATH HOUSING AUTHORITY,**  
a public body corporate and politic of the State of  
Oregon

By:   
Diana Otero  
Executive Director

STATE OF OREGON                    )  
  ) ss.  
COUNTY OF KLAMATH            )

This instrument was acknowledged before me this 8th day of April 2020 by Diana Otero, as Executive Director of the Klamath Housing Authority, a public body corporate and politic of the State of Oregon, who executed the foregoing instrument.

Amber L. Spiker  
Notary Public for Oregon  
My Commission Expires: December 26, 2020



## **EXHIBIT A**

### **LEGAL DESCRIPTION**

#### **PARCEL 1:**

Parcel 2 of Land Partition 2-17 Replat of Parcel 2 of Land Partition 8-00 situate in SE1/4 NE1/4 Section 14, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, recorded May 8, 2017 in 2017-004773, Records of Klamath County, Oregon.

#### **PARCEL 2:**

60 foot Access Easement as designated and delineated on Land Partition 2-17 Replat of Parcel 2 of Land Partition 8-00 situate in SE1/4 NE1/4 Section 14, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, recorded May 8, 2017 in 2017-004773, Records of Klamath County, Oregon.