

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Oregon Housing & Community Services Department
725 Summer Street NE, Suite B
Salem, Oregon 97301-1266
Attention: Brad Lawrence

**PRIORITY AND SUBORDINATION AGREEMENT
(Mountainview Townhomes Project)**

THIS PRIORITY AND SUBORDINATION AGREEMENT (this "Agreement") is made as of May 1, 2024 by and among: U.S. BANK NATIONAL ASSOCIATION, a national banking association, in its capacity as funding lender (the "Funding Lender"); ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association in its capacity as fiscal agent (the "Fiscal Agent"); the STATE OF OREGON (the "State"), acting by and through its STATE TREASURER (the "Treasurer") and its HOUSING AND COMMUNITY SERVICES DEPARTMENT ("OHCS" or the "LIFT Lender"); MOUNTAINVIEW TOWNHOMES LIMITED PARTNERSHIP, an Oregon limited partnership (the "Borrower" or the "Ground Lessee"); KHA MOUNTAINVIEW GP LLC, an Oregon limited liability company (the "Managing General Partner"); STEWARDSHIP MOUNTAINVIEW LLC, an Oregon limited liability company (the "Administrative General Partner"); STEWARDSHIP DEVELOPMENT LLC, an Oregon limited liability company (the "Sponsor"); the KLAMATH HOUSING AUTHORITY, an Oregon public body corporate and politic (the "Authority" and the "Ground Lessor"); and the NETWORK FOR OREGON AFFORDABLE HOUSING (NOAH), an Oregon nonprofit public benefit corporation ("NOAH"). The Funding Lender, the Governmental Lender (as defined below) and the Fiscal Agent are referred to herein as the "Note Parties." The LIFT Lender, NOAH, the Borrower, the Managing General Partner, the Administrative General Partner, the Sponsor and the Authority are referred to herein as the "Project Parties." The Note Parties and the Project Parties 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 the Borrower's 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 "Governmental Lender"), has determined it to be in the best interests of the Governmental Lender to execute and deliver its \$15,000,000 Oregon Housing and Community Services Department Housing Development Revenue Note (Mountainview Townhomes Project), 2024 Series F (the "Governmental Note"), to the Funding Lender, in connection with the making of a loan by the Funding Lender to the Governmental Lender (the "Funding Loan"), to finance costs incurred by

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the Borrower for the development, construction, furnishing and/or equipping of a 72-unit multifamily housing development located in the City of Klamath Falls, Klamath County, Oregon, to be known as “Mountainview Townhomes” (such development being defined herein as the “Project”).

B. The Borrower has requested that the Governmental Lender provide such financing for the Project by executing and delivering the Governmental Note pursuant to a Funding Loan Agreement among the Governmental Lender, the Funding Lender and the Fiscal Agent dated as of May 1, 2024 (the “Funding Loan Agreement”) and using the proceeds of the Funding Loan to fund a loan to the Borrower (the “Borrower Loan”) to finance a portion of the costs of the Project pursuant to a Borrower Loan Agreement between the Governmental Lender and the Borrower dated as of May 1, 2024 (the “Borrower Loan Agreement”).

C. To evidence the payment obligations of the Borrower under the Borrower Loan Agreement, the Borrower has executed and delivered to the Governmental Lender a Promissory Note (the “Borrower Note”), and the obligations of the Borrower under the Borrower Note will be secured by a Line of Credit Instrument Trust Deed, Assignment of Leases and Rents, Security Agreement and Fixture Filing (Security for Construction Loan), recorded on May 10, 2024 under Recording No. 2024- 003663, in the records of Klamath County, Oregon, as assigned pursuant to an Assignment of Trust Deed and Related Documents, recorded on May 10, 2024 under Recording No. 2024- 003664, in the records of Klamath County, Oregon (as the same may be assigned, amended, modified, restated and/or supplemented from time to time, collectively, the “Governmental Note Deed of Trust”). Together the Funding Loan Agreement, the Borrower Loan Agreement, the Governmental Note, the Borrower Note, the Governmental Note Deed of Trust, the Note Regulatory Agreement (as defined below), the Construction Funding Agreement, the Department Operating Agreement (as defined below) and all other documents associated with the Governmental Note are referred to herein as the “Governmental Note Documents.”

D. In connection with the execution and delivery of the Governmental Note, 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 Fiscal Agent, recorded on May 10, 2024 under Recording No. 2024- 003661, in the records of Klamath County, Oregon (the “Note Regulatory Agreement”), and Operating Agreement and Declaration of Restrictive Covenants by and between OHCS and the Borrower, recorded on May 10, 2024 under Recording No. 2024- 003662, in the records of Klamath County, Oregon (the “Department Operating Agreement”).

E. The LIFT Lender and the Borrower are parties to a Local Innovation and Fast Track Housing Program Loan Agreement (Construction and Permanent), dated as of May 1, 2024 (the “LIFT Loan Agreement”), for a loan to the Borrower in the maximum principal amount of \$11,348,101 (the “LIFT Loan”). The LIFT Loan is evidenced by a Promissory Note, dated as of May 1, 2024, from the Borrower in favor of the LIFT Lender 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 on May 10, 2024 under Recording No. 2024- 003665, in the records of Klamath County, Oregon (the “LIFT Trust Deed”). Together the LIFT Loan Agreement, the LIFT

Note, the LIFT Trust Deed, the Department Operating Agreement and all other documents associated with the LIFT Loan are referred to herein as the “LIFT Loan Documents.”

F. The LIFT Lender, the Funding Lender and the Fiscal Agent are parties to a Local Innovation and Fast Track Housing Program Inter-Creditor Agreement, recorded on May 10, 2024 under Recording No. 2024- 003672, in the records of Klamath County, Oregon (the “Intercreditor Agreement”), providing for a joint-shared first lien position on the Project for the Governmental Note Deed of Trust and the LIFT Trust Deed for the period during which the Governmental Note is outstanding and setting forth the rights and remedies of the parties with respect to the Funding Loan, the Borrower Loan and the LIFT Loan, including the rights of the Funding Lender and the Fiscal Agent to take Enforcement Action and the LIFT Lender to exercise Operational Remedies as set forth and defined therein.

G. In connection with the Borrower Loan, the Funding Lender and the Borrower have entered in a Construction Funding Agreement, dated as of May 1, 2024 (the “Construction Funding Agreement”), for the purpose of specifying the manner in which the Improvements (as defined in the Construction Funding Agreement) will be completed and paid for.

H. NOAH has issued a written commitment letter dated May 2, 2024 (the “NOAH Commitment”) to issue a permanent loan to the Borrower in an amount not to exceed \$4,525,000 (the “NOAH Loan”). Pursuant to the NOAH Commitment, the NOAH Loan will be evidenced by a Promissory Note (the “NOAH Note”) and secured by a Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing from the Borrower in favor of NOAH (“NOAH Deed of Trust”), which following the date hereof will be recorded in Klamath County, Oregon. The NOAH Commitment, NOAH Note, the NOAH Deed of Trust, and all other documents executed by the Borrower that are associated with the NOAH Loan will be referred to as the “Permanent Loan Documents.”

I. The Ground Lessor has conveyed a leasehold interest in the Property to the Borrower pursuant to a Ground Lease Agreement, dated May 3, 2024 (the “Ground Lease”), between the Ground Lessor and the Ground Lessee, which Ground Lease is evidenced by that certain Memorandum of Ground Lease Agreement, between the Ground Lessor and the Ground Lessee, recorded on May 9, 2024 under Recording No. 2024- 003598, in the records of Klamath County, Oregon. This Agreement remains subject to and may not supersede the terms and conditions of the Ground Lease.

J. In connection with the Borrower’s leasehold interest in the Property on which the Project is located, granted pursuant to the Ground Lease, OHCS, the Ground Lessor and the Ground Lessee are parties to a Tripartite Agreement, Subordination and Declaration of Restrictive Covenants, recorded on May 10, 2024 under Recording No. 2024- 003673 in the records of Klamath County, Oregon (the “Tripartite Agreement”).

K. The Sponsor has agreed to make a loan to the Borrower in the principal amount of \$734,437 (the “Sponsor Loan”), as evidenced by a Promissory Note (Sponsor Loan) from the Borrower in favor of the Sponsor in the amount of the Sponsor Loan (the “Sponsor Note”), and secured by a Leasehold Trust Deed (Sponsor Loan), executed by the Borrower for the

benefit of the Sponsor, recorded on May 10, 2024 under Recording No. 2024-003674, in the records of Klamath County, Oregon (the "Sponsor Trust Deed"). The Sponsor Note, the Sponsor Trust Deed and all other documents associated with the Sponsor Loan are referred to herein as the "Sponsor Loan Documents."

L. The Authority has agreed to make a loan to the Borrower in the principal amount of \$685,000 (the "KHA Ground Lease Loan"), as evidenced by a Promissory Note (Ground Lease Loan) from the Borrower in favor of the Authority in the amount of \$685,000 (the "KHA Ground Lease Note"), and secured by a Leasehold Trust Deed (KHA Ground Lease Loan), executed by the Borrower for the benefit of the Authority, recorded on May 10, 2024 under Recording No. 2024- 003675, in the records of Klamath County, Oregon (the "KHA Ground Lease Loan Trust Deed"). The KHA Ground Lease Note, the KHA Ground Lease Loan Trust Deed and all other documents associated with the KHA Ground Lease Loan are referred to herein as the "KHA Ground Lease Loan Documents."

M. • The Authority has also agreed to make a loan to the Borrower in the principal amount of \$25,000 (the "KHA Sponsor Loan"), as evidenced by a Promissory Note (Sponsor Loan) from the Borrower in favor of the Authority in the amount of \$25,000 (the "KHA Sponsor Note"), and secured by a Leasehold Trust Deed (KHA Sponsor Loan), executed by the Borrower for the benefit of the Authority, recorded on May 10, 2024 under Recording No. 2024-003676, in the records of Klamath County, Oregon (the "KHA Sponsor Loan Trust Deed"). The KHA Sponsor Note, the KHA Sponsor Loan Trust Deed and all other documents associated with the KHA Sponsor Loan are referred to herein as the "KHA Sponsor Loan Documents."

N. In connection with the 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 Borrower has also received an award of Oregon Affordable Housing Tax Credits for the Projects and will execute and deliver an Oregon Affordable Housing Tax Credit Declaration of Land Use Restrictive Covenants (the "OAHTC Declaration"), which following the date hereof will be delivered to be recorded in the records of Klamath County, Oregon. The LIHTC Declaration, the OAHTC Declaration and all other documents now associated with or hereafter entered into in connection with the LIHTC Declaration and the OAHTC Declaration, including all amendments, modifications, supplements and replacement thereof, are referred to herein as the "Tax Credit Documents").

O. The Managing General Partner, the Administrative General Partner and NEF Assignment Corporation, as nominee, an Illinois not-for-profit corporation, as investor limited partner (the "Equity Investor"), have entered into an Amended and Restated Agreement of Limited Partnership, dated and effective as of May 10, 2024 (the "Partnership Agreement"), pursuant to which the rights, obligations and duties of such parties are set forth.

P. The Governmental Note Documents, the LIFT Loan Documents, the Ground Lease, the Tripartite Agreement, the Tax Credit Declaration, the Permanent Loan Documents, the Sponsor Loan Documents, the KHA Ground Lease Documents, KHA Sponsor Loan Documents and the Intercreditor Agreement are collectively referred to as the “Financing Documents.”

Q. 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 and as set forth herein.

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 of the LIHTC Declaration, be made subordinate and subject to the rights and interests of OHCS under the LIHTC Declaration, subject in all events to termination of the LIHTC Declaration 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 Note 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 Note Regulatory Agreement, *provided* that the Note Regulatory Agreement is subject to termination upon foreclosure of the Governmental Note Deed of Trust or deed in lieu of foreclosure of the Governmental Note Deed of Trust, as set forth in the Note 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 Department 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 Department Operating Agreement.
 - (d) Fourth Priority. When recorded, the OAHTC Declaration shall have fourth priority. The liens, rights, and interests of the Parties created under documents with a lesser priority as established in this Agreement will, upon recording of the OAHTC Declaration, be made subordinate and subject to the rights and interests of OHCS under the OAHTC Declaration, *provided* that the OAHTC Declaration is subject to termination upon foreclosure or deed in lieu of foreclosure.

(e) Fifth Priority. The Governmental Note Deed of Trust and the LIFT Trust Deed shall share fifth priority, but each shall constitute a first lien and security interest in the Property to secure the payment and performance of the Borrower's obligations under the Governmental Note Documents and the LIFT Loan Documents, respectively, as set forth in and subject to the terms of the 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 (i) the Fiscal Agent, the Funding Lender and the Governmental Lender under the Governmental Note Deed of Trust, and (ii) the LIFT Lender under the LIFT Trust Deed. The Governmental Note Deed of Trust 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.

The parties hereto acknowledge and agree that upon payment, in full, of the Funding Loan and the Borrower Loan, and the payment and performance by the Borrower of all obligations under the Governmental Note Documents and with respect to the Governmental Note and upon the closing of the NOAH Loan (the "Permanent Period"), the NOAH Deed of Trust shall automatically succeed to the same lien position of the Governmental Note Deed of Trust, subject to the terms of the Intercreditor Agreement, and that all references in this Agreement to "Funding Lender," "Funding Loan" "Governmental Note Deed of Trust" and "Governmental Note Documents" shall be deemed to refer to NOAH, the NOAH Loan, the NOAH Deed of Trust and the Permanent Loan Documents. It is the intention of the Parties that no additional priority, subordination, intercreditor or other agreements in addition to this Agreement shall be required to establish such lien priority. However, the Parties acknowledge and agree that to the extent any additional subordination or priority agreements are required by a subsequent lender, or the title company insuring the lien priority of the NOAH Deed of Trust or the priority of a subsequent lender in order to provide NOAH or its successor lender with the same lien position as identified herein, the Parties shall execute such additional documents and subordination agreements provided that they are reasonably acceptable to the Parties required to execute and deliver such subordination, priority, intercreditor or other agreements.

To the extent set forth and pursuant to the terms laid out in the NOAH Loan Documents, 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 NOAH under the NOAH Deed of Trust and are subject to termination upon foreclosure thereof or deed in lieu of foreclosure. The NOAH 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, for so long as such person shall retain an interest in the Property. The Parties acknowledge that, to the extent the terms of the NOAH Loan Documents conflict with or differ from this Priority and Subordination Agreement and the Intercreditor Agreement, the terms of the Priority and Subordination Agreement and the Intercreditor Agreement shall be controlling.

(f) Sixth Priority. The Tripartite Agreement shall have sixth 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.

(g) Seventh Priority. The Sponsor Trust Deed shall have seventh 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 the Sponsor under the Sponsor Trust Deed. The Sponsor Trust Deed 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.

(h) Eighth Priority. The KHA Ground Lease Loan Trust Deed shall have eighth 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 the Authority under the KHA Ground Lease Loan Trust Deed. The KHA Ground Lease Loan Trust Deed 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.

(i) Ninth Priority. The KHA Sponsor Trust Deed shall have ninth 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 the Authority under the KHA Sponsor Trust Deed. The KHA Sponsor Trust Deed 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.

Any other right of any party to acquire the Property or any part thereof, including the Managing General Partner's option or the Administrative General Partner's option to purchase the Project pursuant to the terms of the Partnership 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. Applicability of Intercreditor Agreement. This Agreement is intended to summarize the relative priority of the liens, payment obligations, rights and remedies and other interests 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 the Parties to and under the Intercreditor Agreement, including the right of OHCS to pursue Operational Remedies (as defined in the Intercreditor Agreement) and the right of OHCS to take and direct any permitted remedial action with respect to the LIFT Loan Documents in accordance with the terms of the Intercreditor Agreement. In the event of a conflict between the terms of this Agreement and the terms of the Intercreditor Agreement, the terms of the Intercreditor Agreement shall control.

4. Reliance. It is understood by the Parties hereto that the Note Parties and the LIFT Lender would not enter into their respective loan documents without this Agreement.

5. Prohibited Payments. The Parties agree that upon receipt of a notice of an Event of Default from the Fiscal Agent or the Funding Lender, as applicable, those Parties (including the Sponsor and the Authority (collectively, the “Subordinate Lenders” and each a “Subordinate Lender”)) holding subordinate loan documents (including the Sponsor Loan Documents, the KHA Ground Lease Loan Documents and the KHA Sponsor Loan Documents (collectively, the “Subordinate Loan Documents”)), will not accept any payments under or pursuant to their respective Subordinate Loan 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 Governmental Note Deed of Trust) without the Funding Lender’s prior written consent. If, after issuance of a notice of an Event of Default, any Party receives any payments under their respective Subordinate Loan Documents, such Party agrees that such payment or other distribution will be received and held in trust for the benefit of the Funding Lender and will be promptly remitted, in kind to the Funding Lender, properly endorsed and to be applied to the principal of, interest on and other amounts due under the applicable Financing 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 party required above, 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 either the Fiscal Agent or the Funding Lender for the benefit of the Funding Lender, to be applied toward obligations under the Governmental Note Documents, shall not, in any case, be applied or otherwise credited against the obligations of the Borrower under such Party’s Subordinate Loan Documents, nor shall the tender of such payment to the Fiscal Agent or the Funding 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.

6. Actions by Funding Lender and Fiscal Agent; Certain Waivers. The Funding Lender without the consent of or notice to any other Party to this Agreement (except as specifically required by the terms of the Governmental Note Deed of Trust), may enter into amendments of the Governmental Note Deed of Trust, 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. In addition, subject to the rights of OHCS and the terms of this Agreement and the Intercreditor Agreement, but notwithstanding anything to the contrary in any of the Financing Documents, a foreclosure or deed in lieu of foreclosure of the Senior Secured Documents shall not require the prior consent of any of the Parties. Each Party waives any right to require marshaling of assets or to require the Funding Lender or the Fiscal Agent 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 Governmental Note Deed of Trust, and the other Senior Secured Documents.

7. Provisions Pertaining to the Funding Loan. Until such time as the Funding Loan is 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 Governmental Note Deed of Trust, in accordance with the Intercreditor Agreement. Any funds to be applied to repair or restoration shall be held and administered by the Funding Lender or, at the Funding Lender's direction, the Fiscal Agent, in accordance with the Governmental Note Deed of Trust, the Funding Lender and/or the Fiscal Agent, as applicable, shall be entitled to reasonable compensation for their services in connection with the administration of such funds, as set forth in the Governmental Note Deed of Trust, provided that if applicable law does not permit a lender to hold such proceeds then the Funding Lender and/or the Fiscal Agent shall have the right to designate an insurance trustee to administer the proceeds consistent with the Governmental Note Deed of Trust, subject to applicable law. For so long as the Governmental Note Deed of Trust encumbers the Property, the Funding Lender shall 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. Each Subordinate Lender agrees that if, by reason of payment by such Subordinate Lender of real estate taxes or other monetary obligations of the Borrower pursuant to the respective Subordinate Loan Documents, or by reason of such Subordinate Lenders' exercise of any other right or remedy under such Subordinate Loan Documents, such Subordinate Lender acquires by right of subrogation or otherwise a lien on the Property that but for this Section 7(b) would be senior to the lien of the Governmental Note Deed of Trust or the NOAH Deed of Trust, as applicable, then in that event such liens of such Subordinate Lenders shall be subject and subordinate to the lien of the Governmental Note Deed of Trust or the NOAH Deed of Trust, as applicable. Each Subordinate Lender further agrees that, in the event of any conflict or inconsistency between the terms of the Governmental Note Documents, the terms of such Subordinate 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 Funding Lender and/or the Fiscal Agent (for the benefit of Funding Lender) and such Subordinate Lenders in the Property, (ii) the timing of the exercise of remedies

by the Funding Lender and/or the Fiscal Agent (acting solely at the direction of the Funding Lender), and such Subordinate Lenders under the Governmental Note Documents and such Subordinate Loan Documents, respectively, and (iii) all other rights and obligations that the Funding Lender and/or the Fiscal Agent and such Subordinate Lenders have agreed to pursuant to this Agreement.

8. Agreement to Standstill. Until the Funding Loan has been repaid in full, each of the Subordinate Lenders agree for the benefit of the Funding Lender and its successors and assigns, that if a default occurs and is continuing under documents other than the Governmental Note Documents, none of the Subordinate Lenders shall, without the Funding Lender's prior written consent, demand payment of any grant or accelerate their respective loans, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other enforcement action with respect to the Property.

9. 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 the Governmental Lender nor the Funding Lender has made any warranty or representation of any kind or nature whatsoever to any other Party with respect to (i) the application of the proceeds of the Funding Loan or the Borrower 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, the Managing General Partner, the Administrative General Partner, the Sponsor or the Authority to honor its covenants and agreements with the Governmental Lender, the Funding Lender or the Fiscal Agent;

(c) The release by the Governmental Lender, the Fiscal Agent or the Funding Lender of any security for the Funding Loan, including, without limitation, the reconveyance of any portion of the Property from the lien of the Governmental Note Deed of Trust or the NOAH Deed of Trust, as applicable, shall not constitute a waiver or relinquishment of the unconditional subordination of the liens or charges of any Subordinate Loan Documents against the Property to the lien or charge of the Governmental Note Deed of Trust or the NOAH Deed of Trust, as applicable, or any other subordinations hereunder;

(d) Neither the Governmental Lender nor the Funding Lender, by reason of this Agreement, have any duty to disclose to the other Parties any facts that the Governmental Lender or the Funding Lender may now know or hereafter know about the other Parties, or their constituent owners (direct and indirect) regardless of whether (i) the Governmental Lender or the Funding Lender has reason to believe that any such facts may increase materially the risk beyond that which any other Party intends to assume, (ii) the Governmental Lender or the Funding Lender may have reason to believe that such facts are unknown to another Party, or (iii) the Governmental Lender or the Funding 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; and

(e) The Parties have made such independent legal and factual inquiries and examinations as each Party deems necessary or desirable and is not relying on any inquiries or examinations made by the Governmental Lender or the Funding Lender or on information from the Governmental Lender or the Funding Lender concerning the Borrower, the Managing General Partner, the Administrative General Partner, the Sponsor, the Authority, the Property or the Project.

10. 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 electronic mail transmission during normal business hours (if an email address is provided below), the business day following receipt by a national overnight courier service (such as FedEx) 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 Funding Lender: U.S. Bank National Association
c/o U.S. Bancorp Community Development Corporation
1307 Washington Avenue, Suite 300
Mail Code: SL MO RMCD
St. Louis, Missouri 63103
Attention: Community Development Lending

With a copy to: Davis Wright Tremaine LLP
865 S. Figueroa Street, Suite 2400
Los Angeles, California 90017
Attention: Nancy Clapp
Email: nancyclapp@dwt.com
Telephone: (213) 633-6835

To NOAH:	<p>Network for Oregon Affordable Housing 1750 S. Harbor Way, Suite 245 Portland, OR 97201 Attention: Executive Director Telephone: (503) 501-5680 Email: billv@noah-housing.org</p>
With a copy to:	<p>Stoll Berne 209 SW Oak Street, Suite 500 Portland, OR 97204 Attention: Benjamin Leedy Telephone: (503) 972-7148 Email: benleedy@stollberne.com</p>
To Governmental Lender:	<p>State of Oregon Housing and Community Services Department 725 Summer Street NE, Suite B Salem, OR 97301-1266 Attention: Assistant Director of Capital Markets Email: OR.BondInvestor@oregon.gov Telephone: (503) 580-7816</p>
With a copy to:	<p>Orrick, Herrington & Sutcliffe LLP 1140 SW Washington Street, Suite 500 Portland, OR 97205 Telephone: (503) 943-4840 Attention: Michael E. Schrader Email: mschrader@orrick.com</p>
To Fiscal Agent:	<p>Zions Bancorporation, National Association Corporate Trust Department 601 Union Street, Suite 3600 Seattle WA, 98101 Attention: Anna McCully Telephone: (206) 438-1267 Email: anna.mccully@zionsbank.com</p>
With a copy to:	<p>Zions Bancorporation, National Association 800 W. Main Street, Suite 1000 Boise, ID 83702 Attention: Allison Darnall Telephone: (208) 501-7466 Email: allison.darnall@zionsbancorp.com</p>
To Borrower or Sponsor:	<p>Mountainview Townhomes Limited Partnership c/o Stewardship Development LLC 1247 Villard Street</p>

Eugene, OR 97403
Attention: Amanda Perkins
Email: amanda@stewardshipproperties.net
Telephone: (541) 517-9065

With a copy to: Kantor Taylor PC
1200 Fifth Avenue, Suite 1910
Seattle, WA 98101
Attention: Mark Kantor
Email: mkantor@kantortaylor.com
Telephone: (206) 812-2500

To Authority or Ground Lessor: Klamath Housing Authority
1445 Avalon Street
Klamath Falls, OR 97603
Attention: Executive Director
Email: ann@klamathhousing.org
Telephone: (541) 884-0649

With a copy to: Elliott, Ostrander & Preston, P.C.
707 SW Washington Street, Suite 1500
Portland, OR 97205
Attention: Paul Dagle
Email: paul.dagle@daglelaw.com
Telephone: (503) 753-3582

(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.

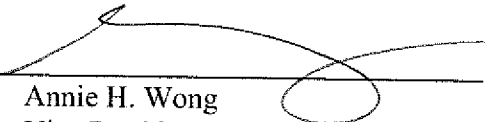
(g) Consent to Other Parties' Financing Documents. By executing this Agreement, each Party hereby acknowledges and consents to the execution of, and where appropriate, the recording of, the documents referenced herein.

(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.

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

“FUNDING LENDER”

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: 
Annie H. Wong
Vice President

STATE OF _____)
COUNTY OF _____) ss.

This instrument was acknowledged before me this _____ day of May 2024, by Annie H. Wong, Vice President of U.S. Bank National Association, as Funding Lender, who executed the foregoing instrument.

SEE ATTACHED

Notary Public for _____
My Commission Expires: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

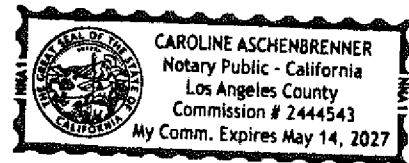
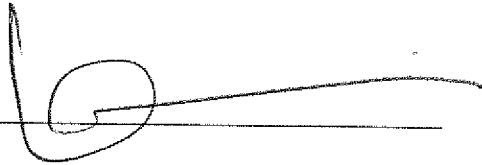
County of Los Angeles)

On May 1, 2024, before me, Caroline Aschenbrenner, Notary Public, personally appeared ANNIE H. WONG, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

“FISCAL AGENT”

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION,**
as Fiscal Agent

By: Anna McCully
Anna McCully, Vice President
Zions Bank Division

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

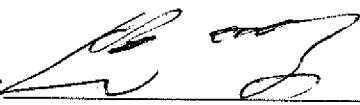
This instrument was acknowledged before me this 1st day of May 2024, by Anna McCully, as Vice President, Zions Bank Division, of Zions Bancorporation, National Association, as Fiscal Agent, who executed the foregoing instrument.

Zavonne R Shareef
Notary Public for Washington
My Commission Expires: _____



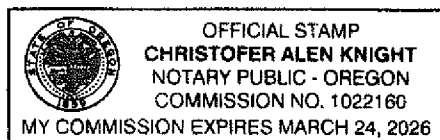
“GOVERNMENTAL LENDER” and “LIFT LENDER”

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

By: 
Caleb Yant, Deputy Director

STATE OF OREGON)
) ss.
COUNTY OF MARION)

This instrument was acknowledged before me this 1st day of May 2024, by Caleb Yant, as the Deputy Director of the State of Oregon Housing and Community Services Department, on behalf of the State of Oregon and Oregon Housing and Community Services, who executed the foregoing instrument.




Notary Public for Oregon
My Commission Expires: MARCH 24, 2026

“NOAH”

**NETWORK FOR OREGON AFFORDABLE
HOUSING,**

an Oregon nonprofit public benefit corporation

By: _____

Ann Remmers

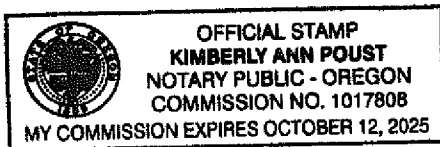
Acting Executive Director

STATE OF OREGON)

) ss.

COUNTY OF MULTNOMAH)

This instrument was acknowledged before me this 2nd day of May 2024, by Ann Remmers, as Acting Executive Director of Network for Oregon Affordable Housing, an Oregon nonprofit public benefit corporation, who executed the foregoing instrument.




Notary Public for Oregon
My Commission Expires: 10-12-2025

“BORROWER” and “GROUND LESSEE”

MOUNTAINVIEW TOWNHOMES LIMITED PARTNERSHIP,
an Oregon limited partnership

By: **KHA Mountainview GP LLC,**
an Oregon limited liability company,
its Managing General Partner

By: **Klamath Housing Authority,**
an Oregon public body corporate and politic,
its Manager

By: 
Ann Malfavon, Executive Director

By: **Stewardship Mountainview LLC,**
an Oregon limited liability company,
its Administrative General Partner

By: **Stewardship Development LLC,**
an Oregon limited liability company,
its Manager

By: **JCP Real Estate LLC,**
an Oregon limited liability company,
its Member

By: _____
Amanda Perkins, Member

[NOTARY PAGES FOLLOW]

“BORROWER” and “GROUND LESSEE”

MOUNTAINVIEW TOWNHOMES LIMITED PARTNERSHIP,
an Oregon limited partnership

By: **KHA Mountainview GP LLC,**
an Oregon limited liability company,
its Managing General Partner

By: **Klamath Housing Authority,**
an Oregon public body corporate and politic,
its Manager

By: _____
Ann Malfavon, Executive Director

By: **Stewardship Mountainview LLC,**
an Oregon limited liability company,
its Administrative General Partner

By: **Stewardship Development LLC,**
an Oregon limited liability company,
its Manager

By: **JCP Real Estate LLC,**
an Oregon limited liability company,
its Member

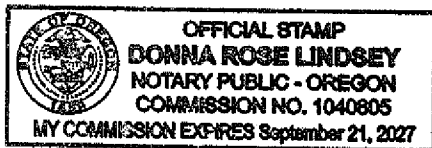
By: 
Amanda Perkins, Member

[NOTARY PAGES FOLLOW]

STATE OF OREGON)
COUNTY OF KLAMATH) ss.

This instrument was acknowledged before me this 6th day of May 2024 by Ann Malfavon, as the Executive Director of the Klamath Housing Authority, an Oregon public body corporate and politic, the Manager of KHA Mountainview GP LLC, an Oregon limited liability company, the Managing General Partner of Mountainview Townhomes Limited Partnership, an Oregon limited partnership, on behalf of the Borrower.

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



Donna Lindsey
Notary Public for Oregon
My Commission Expires: 9/21/2017

STATE OF OREGON)
COUNTY OF LANE) ss.

This instrument was acknowledged before me this _____ day of May 2024 by Amanda Perkins, as the Member of the JCP Real Estate LLC, an Oregon limited liability company, the Member of Stewardship Development LLC, an Oregon limited liability company, the Manager of Stewardship Mountainview LLC, an Oregon limited liability company, the Administrative General Partner of Mountainview Townhomes Limited Partnership, an Oregon limited partnership, on behalf of the Borrower.

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

Notary Public for Oregon
My Commission Expires: _____

STATE OF OREGON)
) ss.
COUNTY OF KLAMATH)

This instrument was acknowledged before me this ____ day of May 2024 by Ann Malfavon, as the Executive Director of the Klamath Housing Authority, an Oregon public body corporate and politic, the Manager of KHA Mountainview GP LLC, an Oregon limited liability company, the Managing General Partner of Mountainview Townhomes Limited Partnership, an Oregon limited partnership, on behalf of the Borrower.

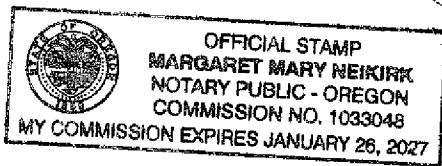
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public for Oregon
My Commission Expires: _____

STATE OF OREGON)
) ss.
COUNTY OF LANE *Multnomah*

This instrument was acknowledged before me this 3 day of May 2024 by Amanda Perkins, as the Member of the JCP Real Estate LLC, an Oregon limited liability company, the Member of Stewardship Development LLC, an Oregon limited liability company, the Manager of Stewardship Mountainview LLC, an Oregon limited liability company, the Administrative General Partner of Mountainview Townhomes Limited Partnership, an Oregon limited partnership, on behalf of the Borrower.

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



Margaret Mary Neikirk

Notary Public for Oregon
My Commission Expires: 1-26-27

"MANAGING GENERAL PARTNER"

KHA MOUNTAINVIEW GP LLC,
an Oregon limited liability company

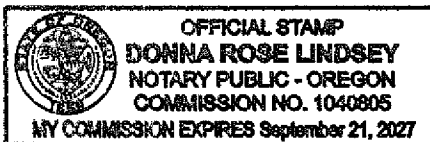
By: **Klamath Housing Authority,**
an Oregon public body corporate and politic,
its Manager

By: *Ann Malfavon*
Ann Malfavon, Executive Director

STATE OF OREGON)
) ss.
COUNTY OF KLAMATH)

This instrument was acknowledged before me this 6th day of May 2024 by Ann Malfavon, as the Executive Director of the Klamath Housing Authority, an Oregon public body corporate and politic, the Manager of KHA Mountainview GP LLC, an Oregon limited liability company, on behalf of the Managing General Partner.

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



Donna Lindsey
Notary Public for Oregon
My Commission Expires: 9/21/27

“ADMINISTRATIVE GENERAL PARTNER”

Stewardship Mountainview LLC,
an Oregon limited liability company

By: **Stewardship Development LLC,**
an Oregon limited liability company,
its Manager

By: **JCP Real Estate LLC,**
an Oregon limited liability company,
its Member

By: *Amanda Perkins*
Amanda Perkins, Member

STATE OF OREGON

COUNTY OF ~~LANE~~ *Multnomah*

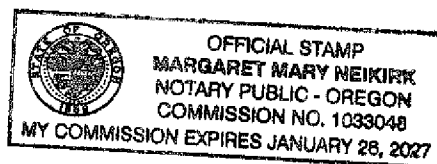
) ss.

This instrument was acknowledged before me this 3 day of May 2024 by Amanda Perkins, as the Member of the JCP Real Estate LLC, an Oregon limited liability company, the Member of Stewardship Development LLC, an Oregon limited liability company, the Manager of Stewardship Mountainview LLC, an Oregon limited liability company, on behalf of the Administrative General Partner.

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

Margaret Mary Neikirk
Notary Public for Oregon

My Commission Expires: 1-26-27



“SPONSOR”

STEWARDSHIP DEVELOPMENT LLC,
an Oregon limited liability company

By: **JCP Real Estate LLC,**
an Oregon limited liability company,
its Member

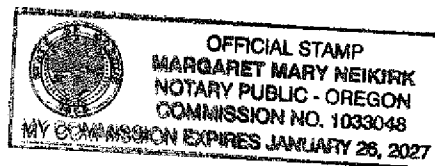
By: *Amanda Perkins*
Amanda Perkins, Member

STATE OF OREGON)
COUNTY OF ~~LANE~~ *Multnomah*) ss.

This instrument was acknowledged before me this 3 day of May 2024 by Amanda Perkins, as the Member of the JCP Real Estate LLC, an Oregon limited liability company, the Member of Stewardship Development LLC, an Oregon limited liability company, on behalf of the Sponsor.

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

Margaret Mary Neikirk
Notary Public for Oregon
My Commission Expires: 1-24-27



"AUTHORITY" and "GROUND LESSOR"

KLAMATH HOUSING AUTHORITY,
an Oregon public body corporate and politic

By: _____

Ann Malfavon
Ann Malfavon, Executive Director

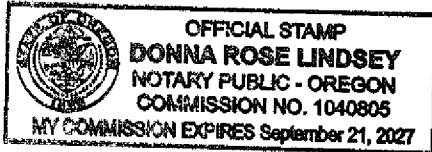
STATE OF OREGON)

) ss.

COUNTY OF KLAMATH)

This instrument was acknowledged before me this 6th day of May 2024 by Ann Malfavon, as the Executive Director of the Klamath Housing Authority, an Oregon public body corporate and politic, on behalf of the Authority and the Ground Lessor.

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



Donna Lindsey
Notary Public for Oregon
My Commission Expires: 9/21/27

EXHIBIT A

LEGAL DESCRIPTION

All that certain Real Property situated in the City of Willamette, County of Klamath, State of Oregon, described as follows:

Parcel 1, Land Partition 15-23, a replat of Parcel 3 Land Partition 8-20, a replat of Parcel 3 of Land Partition 2-17 situate in the NE1/4 Section 14, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon and recorded December 26, 2023 as Instrument No. 2023-010962, Klamath County Records.