

Prepared by, and after recording
return to:

Nicholas A. Pirulli, Esq.
Tiber Hudson LLC
4014 Brainard Avenue
Kensington, MD 20895

SUBORDINATION AGREEMENT - REGULATORY AGREEMENT ONLY

GOVERNMENTAL ENTITY

(NO SUBORDINATE DEBT)

(Revised 1-29-2018)

Freddie Mac Loan Number: 501812857
Property Name: Pinnacle at Peacefield

SUBORDINATION AGREEMENT - REGULATORY AGREEMENT ONLY

GOVERNMENTAL ENTITY

(NO SUBORDINATE DEBT)

(Revised 1-29-2018)

THIS SUBORDINATION AGREEMENT FOR REGULATORY AGREEMENT (“**Agreement**”) is effective as of the ___ day of _____, 2021 by **BROWARD COUNTY**, a political subdivision of the State of Florida (“**Governmental Entity**”), and **PINNACLE AT PEACEFIELD, LTD.**, a Florida limited partnership (“**Borrower**”), for the benefit of **FEDERAL HOME LOAN MORTGAGE CORPORATION**, a corporation organized and existing under the laws of the United States (“**Lender**”).

RECITALS

- A. Borrower is the owner of certain improved real property located in the County of Broward, State of Florida, as more particularly described on Exhibit A attached hereto (“**Property**”).
- B. Borrower has assumed certain obligations under the Declaration of Restrictive Covenants (Age Restricted) dated September 28, 2018 (“**Regulatory Agreement**”) between Governmental Entity and Hollywood Community Redevelopment Agency, a/k/a, Downtown Hollywood Community Redevelopment Agency (“**Prior Owner**”) and recorded on title to the Property on November 1, 2018 as Document No. 115422444 in the Broward County Official Records (“**Official Records**”), pursuant to which the Property was subjected to certain restrictions by Governmental Entity in connection with the prior development or rehabilitation of the Property.
- C. In connection with the refinancing of the loan secured by the Property by Borrower, Citibank, N.A., a national banking association (“**Prior Lender**”) made a loan to Borrower in the original principal amount of \$3,500,000 (“**Loan**”) pursuant to a Multifamily Loan and Security Agreement between Lender and Borrower (as supplemented or amended from time to time, the “**Loan Agreement**”) and evidenced by a Multifamily Note by Borrower to Lender (as supplemented or amended from time to time, the “**Note**”). The Loan is secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement that was recorded among the Official Records (as supplemented or amended from time to time, the “**Mortgage**”), which Mortgage was assigned to Lender pursuant to an Assignment of Security Instrument that was recorded among the Official Records (the “**Assignment**”) (the Loan Agreement, the Note, the Mortgage and the Assignment, together with all other documents executed with respect to the Loan, are hereinafter collectively referred to as the “**Loan Documents**”).

- D. As a condition to the Loan, Lender requires that the Loan Documents be a lien on the Property superior to the lien of the Regulatory Agreement and that the rights of Lender under the Loan Documents be superior to the rights of Governmental Entity and Borrower under the Regulatory Agreement.
- E. Borrower and Governmental Entity hereby agree to subordinate the Regulatory Agreement on and subject to the terms, conditions and requirements set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Recitals.** The foregoing Recitals are hereby incorporated into this Agreement as agreements among the parties.
2. **Subordination.** The Governmental Entity hereby covenants and agrees that the Regulatory Agreement is and will at all times continue to be, subordinate, subject and inferior to the rights of Lender under the Loan Documents and that the liens, rights (including approval and consent rights), remedies, payment interests, priority interests, and security interests granted to Governmental Entity pursuant to or in connection with the Regulatory Agreement are hereby expressly acknowledged to be in all respects and at all times, subject, subordinate and inferior in all respects to the liens, rights (including approval and consent rights), remedies, payment, priority and security interests granted to Lender pursuant to the Loan Documents and the terms, covenants, conditions, operations and effects thereof. Notwithstanding the above, Governmental Entity may exercise the remedies of specific performance or injunctive relief.
3. **Financing, Encumbrance and Transfer Approval.** Governmental Entity hereby approves the financing evidenced by the Mortgage. Governmental Entity further agrees that any transfer of the Property in connection with foreclosure or deed in lieu thereof will not require Governmental Entity's consent.
4. **Reserved.**
5. **Lender Notice of Default.** In consideration of Governmental Entity's agreements contained in this Agreement, Lender agrees that in the event of any default by Borrower under the Loan Documents, Governmental Entity will be entitled to receive a copy of any notice of default given by Lender to Borrower under the Loan Documents. Neither the giving nor the failure to give a notice to Governmental Entity pursuant to this Section 5 will affect the validity of any notice given by Lender to the Borrower.

6. **Governmental Entity Notice of Default.** Governmental Entity must give Lender a concurrent copy of each material notice (including without limitation each notice of default) given by Governmental Entity under or with respect to the Regulatory Agreement, and agrees that Lender, at Lender's sole election, will have the right (but not the obligation) to cure any default by Borrower under the Regulatory Agreement on its and/or Borrower's behalf. Governmental Entity hereby represents and warrants that, to the best of its knowledge, there is no current default under the Regulatory Agreement.
7. **Governmental Entity's Rights.** Except as set forth in Sections 2 and 8 of this Agreement, nothing in this Agreement is intended to abridge or adversely affect any right or obligation of Borrower and/or Governmental Entity, respectively, under the Regulatory Agreement; provided that, (A) the Regulatory Agreement may not be modified, amended, changed or altered without the prior written consent of Lender so long as the Loan is secured by the Property and (B) for so long as the Loan is secured by the Property, notwithstanding the terms of the Regulatory Agreement to the contrary, neither Borrower nor Governmental Entity will, without Lender's prior written consent, exercise or seek any right or remedy under the Regulatory Agreement or available at law or in equity which will or could result in (i) a transfer of possession of the Property or the control, operations or management thereof, (ii) collection or possession of rents or revenues from or with respect to the Property by any party other than Borrower or Lender; (iii) appointment of a receiver for the Property; (iv) application of insurance or condemnation proceeds other than as approved by Lender pursuant to the Loan Documents; (v) removal or replacement of the existing property manager of the Property; or (vi) a material adverse effect on Lender's security for the Loan.
8. **Foreclosure by Lender.** In the event of foreclosure, deed in lieu of foreclosure, or similar disposition of the Property by Lender, no consent will be required from Governmental Entity.
9. **Refinancing.** Governmental Entity agrees that its agreement to subordinate hereunder will extend to any new mortgage debt which is for the purpose of refinancing all or any part of the indebtedness evidenced by the Loan Documents (including reasonable and necessary costs associated with the closing and/or the refinancing, and any reasonable increase in proceeds for rehabilitation in the context of a preservation transaction). All terms and covenants of this Agreement will inure to the benefit of any holder of any such refinanced debt, and all references to the Loan Documents and Lender will mean, respectively, the refinance loan documents and the holder of such refinanced debt.
10. **Miscellaneous Provisions.**
 - (a) This Agreement represents the entire understanding and agreement between the parties with regard to the matters addressed herein, and will supersede and cancel any prior agreements with regard to such matters.

- (b) If there is any conflict or inconsistency between the terms of the Regulatory Agreement and the terms of this Agreement, then the terms of this Agreement will control.
- (c) This Agreement will be binding upon and will inure to the benefit of the respective legal successors and permitted assigns of the parties to this Agreement, which will include with regard to the Governmental Entity any permitted successor or assign of the Governmental Entity under or pursuant to the terms of the Regulatory Agreement and, with regard to Lender, any subsequent holder of the Note. No other party will be entitled to any benefits hereunder, whether as a third-party beneficiary or otherwise.
- (d) If any one or more of the provisions contained in this Agreement, or any application of any such provisions, is invalid, illegal, or unenforceable in any respect, the validity, legality, enforceability, and application of the remaining provisions contained in this Agreement will not in any way be affected or impaired.
- (e) Each notice, request, demand, consent, approval or other communication (collectively, “**Notices**,” and singly, a “**Notice**”) which is required or permitted to be given pursuant to this Agreement will be in writing and will be deemed to have been duly and sufficiently given if (i) personally delivered with proof of delivery (any Notice so delivered will be deemed to have been received at the time so delivered), or (ii) sent by a national overnight courier service (such as FedEx) designating earliest available delivery (any Notice so delivered will be deemed to have been received on the next Business Day following receipt by the courier), or (iii) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any Notice so sent will be deemed to have been received on the date of delivery as confirmed by the return receipt), addressed to the respective parties as follows:

If to Governmental Entity:

Broward County
Director, Planning and Development Management Division
1 North University Drive, Box 102-A
Plantation, Florida 33324

If to Lender:

Federal Home Loan Mortgage Corporation
c/o Citibank, N.A.
388 Greenwich Street, Trading 6th Floor
New York, New York 10013
Attention: Transaction Management Group

Re: Pinnacle at Peacefield Deal ID No. 25073
Facsimile: (212) 723-8209

And to:

Federal Home Loan Mortgage Corporation
c/o Citibank, N.A.
325 East Hillcrest Drive, Suite 160
Thousand Oaks, California 91360
Attention: Operations Manager/Asset Manager
Re: Pinnacle at Peacefield Deal ID No. 25073
Facsimile: (805) 557-0924

With a copy to:

Federal Home Loan Mortgage Corporation
c/o Citibank, N.A.
388 Greenwich Street, Trading 6th Floor
New York, New York 10013
Attention: Account Specialist
Re: Pinnacle at Peacefield Deal ID No. 25073
Facsimile: (212) 723-8209

And a copy of any notices of default sent to:

Federal Home Loan Mortgage Corporation
c/o Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: General Counsel's Office
Re: Pinnacle at Peacefield Deal ID No. 25073
Facsimile: (646) 291-5754

If to Borrower:

Pinnacle at Peacefield, Ltd.
9400 S. Dadeland Boulevard, Suite 100
Miami, Florida 33156
Attention: David O. Deutch
Facsimile: (305) 895-9858

With a copy to:

Shutts & Bowen LLP
200 South Biscayne Blvd., Suite 4100
Miami, Florida 33131

Attention: Gary Cohen, Esq.
Telephone: (305) 347-7308
Facsimile: (305) 347-7808

Any party, by Notice given pursuant to this Section, may change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses, for its Notices, but Notice of a change of address will only be effective upon receipt. Neither party will refuse or reject delivery of any Notice given in accordance with this Section.

- (f) Each of the parties will, whenever and as often as they are requested to do so by the other, execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, any and all such further instruments and documents as may be reasonably necessary to carry out the intent and purpose of this Agreement, and to do any and all further acts reasonably necessary to carry out the intent and purpose of this Agreement.
- (g) This Agreement will be governed by the laws of the State in which the Property is located.
- (h) Each person executing this Agreement on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations under this Agreement.
- (i) No failure or delay on the part of any party to this Agreement in exercising any right, power, or remedy under this Agreement will operate as a waiver of such right, power, or remedy, nor will any single or partial exercise of any such right, power or remedy preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power or remedy under this Agreement.
- (j) Each party to this Agreement acknowledges that if any party fails to comply with its obligations under this Agreement, the other parties will have all rights available at law and in equity, including the right to obtain specific performance of the obligations of such defaulting party and injunctive relief.
- (k) This Agreement may be assigned at any time by Lender to any subsequent holder of the Note.
- (l) This Agreement may be amended, changed, modified, altered or terminated only by a written instrument signed by the parties to this Agreement or their successors or assigns.
- (m) This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

- (n) Nothing in this Agreement is intended, nor will it be construed, to in any way limit the exercise by Governmental Entity of its governmental powers (including police, regulatory and taxing powers) with respect to Borrower or the Property to the same extent as if it were not a party to this Agreement or the transactions contemplated by this Agreement.

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE REGULATORY AGREEMENT BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF THE MORTGAGE.

[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year above written.

GOVERNMENTAL ENTITY

WITNESSES:

BROWARD COUNTY,
a political subdivision of the State of Florida,
through its County Administrator

Signature

By: _____

Printed Name:

Name: Bertha Henry
Title: County Administrator

Signature

_____ day of July, 2021

Printed Name

Andrew J. Meyers
Broward County Attorney
Governmental Center, Suite 423
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600
Telecopier: (954) 357-7641

By: Alexis I. Marrero Koratich
Digitally signed by Alexis I. Marrero Koratich
Date: 2021.09.16 08:46:18 -04'00'

Alexis I. Marrero Koratich (Date)
Assistant County Attorney

By: MAITE AZCOITIA
Digitally signed by MAITE AZCOITIA
Date: 2021.09.16 09:53:34 -04'00'

Maite Azcoitia
Deputy County Attorney

WITNESSES

[Signature]
 Signature

Lilybeth De Leon
 Printed Name

[Signature]
 Signature

Noriel Lago
 Printed Name

BORROWER

PINNACLE AT PEACEFIELD, LTD.,
a Florida limited partnership

By: PHG-Peacefield, LLC,
a Florida limited liability company
its sole general partner

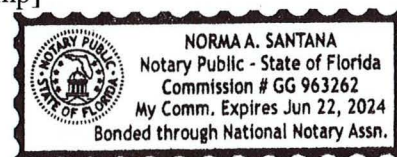
By: *[Signature]*
David O. Deutch
Vice President

State of Florida }
 }SS:
County of Miami-Dade }

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 21st day of June, 2021, by **David O. Deutch**, as Vice President of PHG-Peacefield, LLC, a Florida limited liability company, sole general partner of **PINNACLE AT PEACEFIELD, LTD.**, a Florida limited partnership, on behalf of the partnership, who is personally known to me or has produced a Florida Drivers License as identification.

[Signature]
 Print Name: Norma A Santana
 NOTARY PUBLIC, State of Florida
 My Commission No.: GG 963262
 My Commission Expires: 6.22.2024

[Notary Seal or Stamp]



WITNESSES:

Will Ayoub
Signature:

Will Ayoub
Printed Name:

[Signature]
Signature

Dina Nozi
Printed Name

LENDER

FEDERAL HOME LOAN MORTGAGE CORPORATION a corporation organized and existing under the laws of the United States

By: *Ed Dawson*
Name: Elizabeth A. Lawson
Title: Typ Director

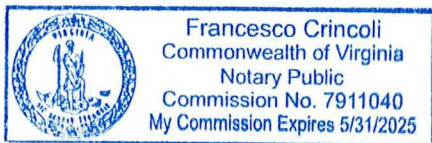
On this 9th day of July, 2021 before me personally appeared Elizabeth A. Lawson, to me known to be the Director of Federal Home Loan Mortgage Corporation, a corporation organized and existing under the laws of the United States, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.

[Signature]

Notary Public in and for the State of VIRGINIA,
residing at 1069 W BROAD ST, FALLS CHURCH, VA, 22046
My commission expires: 05/31/2025

FRANCESCO CRINCOLI
Type or print notary name



(Use this Space for Notarial Seal Stamp)

EXHIBIT A

LEGAL DESCRIPTION

The land referred to herein below is situated in the County of BROWARD, State of FL, and is described as follows:

ALL OF LOTS 9 THROUGH 19, W.B. SYMMES SUBDIVISION, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 7, ON PAGE 7 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA.

ALSO TOGETHER WITH:

THE WEST 330.00 FEET OF LOTS 4 AND 5, BLOCK M, AMENDED PLAT OF HOLLYWOOD LITTLE RANCHES, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 1, ON PAGE 26 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA.