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Gary W. Ott  
Recorder, Salt Lake County, UT  
FOUNDERS TITLE  
BY: eCASH, DEPUTY - EF 10 P.

Prepared by and  
Mail after recording to:  
Nexsen Pruet, PLLC (PFB)  
201 South Tryon St., Suite 1200  
Charlotte, NC 28202

### **PARITY DEED OF TRUST AND SECURITY INTEREST AGREEMENT**

THIS PARITY DEED OF TRUST AND SECURITY INTEREST AGREEMENT (the "Agreement") is made and entered into effective on this 2nd day of April, 2009, by, between and among FARM CREDIT OF SOUTHWEST FLORIDA, ACA for itself and as agent/nominee for Farm Credit of Southwest Florida, FLCA ("SWFL"), a federal land credit association, U.S. Bank National Association, as Trustee ("U.S. Bank" or "Trustee") and the UNITED STATES OF AMERICA, ACTING THROUGH THE RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE (the "USDA").

#### **RECITALS:**

A. SWFL, as "Lender of Record", has entered into that certain Servicing Agreement with Providence Hall, a Utah non-profit corporation, as "Issuer", and U.S. Bank National Association, as Trustee, dated as of April 1, 2009, providing for the administration of those certain Senior Secured Taxable Private Placement Bonds Series A (USDA Guaranteed) and Series B (Non-Guaranteed) (together the "Bonds") issued by the Issuer in the aggregate principal amount of \$7,560,000, all as more particularly described in that certain Indenture by and between Issuer and U.S. Bank, as Trustee, dated as of April 1, 2009 ("Indenture"); and

B. In addition to the Indenture and as additional security for the Bonds, the Issuer executed that certain Deed of Trust and Security Agreement (the "Bond Deed of Trust") dated April 2, 2009, as Trustor, in favor of SWFL and U.S. Bank (which are referred to together "Bond Deed of Trust Beneficiary"), relating to the real property (the "Property") in Salt Lake County, State of Utah more particularly described on Exhibit "A" attached hereto, and in addition executed that certain Security Agreement dated as of April 1, 2009 ("Bond Security Agreement") and UCC Financing Statements were issued and filed relating thereto.

C. The USDA has made a loan (the "USDA Loan") to the Issuer, which such USDA Loan is evidenced by a \$3,240,000 promissory note (The "USDA Note") secured by that certain Real Estate Deed of Trust (the "USDA Deed of Trust") dated April 2,

2009, which was executed by the Issuer, as Trustor, in favor of the USDA as Beneficiary, also relating to the Property. To provide additional security for the USDA Loan, also executed a Security Agreement ("USDA Security Agreement"), issued related UCC Financing Statements and delivered an Assignment of Income.

D. The Bonds and the USDA Loan relate to the same Property being acquired by the Issuer, and it is the intention of SWFL, U.S. bank, as Trustee for the Bonds and the USDA that they shall share a proportionate parity security interest in the Property, revenues and income from the operation of the Project (as defined in the Indenture) known as Providence Hall School, as set forth in this Agreement, notwithstanding the order in which the Bond Deed of Trust and USDA Deed of Trust are recorded in the official records of the Salt Lake County Recorder.

**NOW THEREFORE**, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Parity of Security Interest.** The parties hereto hereby agree that, notwithstanding the order in which the SWFL Deed of Trust and the USDA Deed of Trust are recorded in the official records of the Salt Lake County Recorder, the liens of and security interest created by the SWFL Deed of Trust and the USDA Deed of Trust, Bond Security Agreement, USDA Security Agreement, related Financing Statements and Assignment of Income, shall, as between the Bond Deed of Trust Beneficiary and the USDA, be deemed to be on parity with each other. As used herein, parity shall mean equal rights with reference to the joint security, so that in the event of a default, the Bond Deed of Trust Beneficiary and the USDA will be affected on a proportionate basis. In the event adequate funds are not available to meet regular installments on the parity loans herein described, the funds available will be apportioned to the Bond Deed of Trust Beneficiary, as one party, and the USDA based upon the respective current installments of principal and interest due on the Bonds and the USDA Note.

2. **Cross-Default.** The parties hereto hereby agree that the occurrence of an event of default under the Bond Deed of Trust and the USDA Deed of Trust shall be deemed to constitute an event of default under each of the other deed of Trust, whether or not an actual event of default has occurred under the terms of the other deed of Trust. If either of the Bond Deed of Trust Beneficiaries or the USDA declares that an event of default has occurred, said party shall give written notice to the other parties, and all parties shall have the right to pursue its rights under its own Deed(s) of Trust and Security Agreement(s), including exercising the power of sale of the Property and all rights relative to the personal property collateral.

3. **Rights to Proceeds.** In the event of foreclosure, sale or liquidation of any of the secured property, fixed assets, or other obligations due to the Bond Deed of Trust Beneficiary and the USDA pursuant to the respective Bonds (including the Indenture and other Bond Documents as defined therein) and in the loan documents for the USDA

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Loan, the Bond Deed of Trust Beneficiary and the USDA shall share their interest in the proceeds received from the foreclosure, sale or liquidation on a pro rata basis based upon (1) the unpaid principal and interest due and owing on the Bonds and other obligations under the Bond Documents, and (2) the total of the unpaid principal and interest due and owing on the USDA Loan; provided, however, that the maximum amount payable to either of said parties shall not exceed the amount payable to the Bond Deed of Trust Beneficiary or the USDA pursuant to the terms of that party's Deed of Trust. However, if any protective advance(s) are made by the Bond Deed of Trust Beneficiary and/or the USDA for the mutual protection of the Bond Deed of Trust Beneficiary or the USDA said protective advances shall receive first priority in the apportionment of funds as herein described. For purposes of this agreement the Bond Deed of Trust Beneficiary and the USDA agree that protective advances are payments made by on or both of the parties hereto for items such as insurance or taxes, for the purpose of protecting the financial interest of the parties. If either the Bond Deed of Trust Beneficiary or the USDA elects or wishes to make a protective advance, said party shall make an effort to obtain the concurrence of the other party prior to making the protective advance.


4. **No impact on Borrower's Obligations.** This Agreement is intended for the sole purpose of defining the respective security interests of the Bond Deed of Trust Beneficiary and the USDA with respect to the Property and the revenues and income from the operation of the Project and shall not modify, reduce or otherwise affect the duties and obligations of the Issuer under the Bonds, the Indenture, Bond Documents, or the Bond Deed of Trust, the USDA Deed of Trust, Security Agreement(s) or any of the documents or instruments secured by those Deeds of Trust and lien documents.

5. **Recording of Agreement** .The parties hereto agree that this agreement shall be recorded in the official records of the Salt Lake County Recorder.

[Signature Pages Follow.]

The undersigned hereby execute and deliver this Parity Deed of Trust and Security Interest Agreement, effective as of the date first written above.

**PROVIDENCE HALL**

By:   
Name: Erika Preston  
Title: Corp. Secretary, Providence Hall Board of Trustees

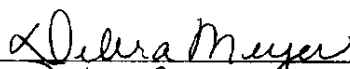
**FARM CREDIT OF SOUTHWEST FLORIDA, ACA  
for itself and as agent/nominee for Farm Credit of  
Southwest Florida, FLCA**

By: \_\_\_\_\_  
Name: Bryan L. Byrd  
Title: Executive Vice President

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**UNITED STATES OF AMERICA, ACTING  
THROUGH THE RURAL HOUSING SERVICE,  
UNITED STATES DEPARTMENT OF  
AGRICULTURE**

By:   
Name: Debra Meyer  
Title: Community Programs Director

The undersigned hereby execute and deliver this Parity Deed of Trust and Security Interest Agreement, effective as of the date first written above.

**PROVIDENCE HALL**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FARM CREDIT OF SOUTHWEST FLORIDA, ACA  
for itself and as agent/nominee for Farm Credit of  
Southwest Florida, FLCA**

By: Bryan L. Byrd  
Name: Bryan L. Byrd  
Title: Executive Vice President

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

By: Kin R. Galbraith  
Name: Kin R. Galbraith  
Title: Vice President

**UNITED STATES OF AMERICA, ACTING  
THROUGH THE RURAL HOUSING SERVICE,  
UNITED STATES DEPARTMENT OF  
AGRICULTURE**

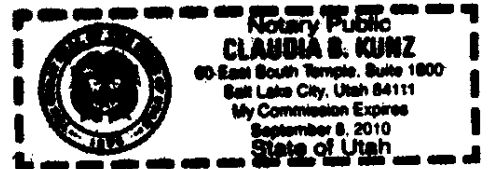
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF Utah  
COUNTY OF Salt Lake

I, Claudia B. Kunz, a Notary Public of the County and State aforesaid, certify that Erin Preston personally came before me this day and acknowledged that (s)he is Corp. Secretary of PROVIDENCE HALL, a Utah non-profit corporation, and that (s)he, as Corp. Secretary being authorized to do so, executed the foregoing on behalf of the corporation.

WITNESS my hand and official stamp or seal, this the 30<sup>th</sup> day of March, 2009.  
[SEAL]

Claudia B. Kunz  
Notary Public  
My Commission expires: 9-8-2010



STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that \_\_\_\_\_ personally came before me this day and acknowledged that (s)he is \_\_\_\_\_ of FARM CREDIT OF SOUTHWEST FLORIDA, ACA, and that (s)he, as \_\_\_\_\_ being authorized to do so, executed the foregoing on behalf of the association.

WITNESS my hand and official stamp or seal, this the \_\_\_\_ day of \_\_\_\_\_, 2009.  
[SEAL]

\_\_\_\_\_  
Notary Public  
My Commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that \_\_\_\_\_ personally came before me this day and acknowledged that (s)he is \_\_\_\_\_ of PROVIDENCE HALL, a Utah non-profit corporation, and that (s)he, as \_\_\_\_\_ being authorized to do so, executed the foregoing on behalf of the corporation.

WITNESS my hand and official stamp or seal, this the \_\_\_\_ day of \_\_\_\_\_, 2009.  
[SEAL]

\_\_\_\_\_  
Notary Public  
My Commission expires: \_\_\_\_\_

STATE OF Florida  
COUNTY OF DeSoto

I, Jennifer Corwin, a Notary Public of the County and State aforesaid, certify that Bryan L. Byrd personally came before me this day and acknowledged that (s)he is CEO of FARM CREDIT OF SOUTHWEST FLORIDA, ACA, and that (s)he, as FVP being authorized to do so, executed the foregoing on behalf of the association.

WITNESS my hand and official stamp or seal, this the 30<sup>th</sup> day of March, 2009.  
[SEAL]

Jennifer Corwin  
Notary Public  
My Commission expires: 06/26/2010

NOTARY PUBLIC-STATE OF FLORIDA  
Jennifer Corwin  
Commission # DD568392  
Expires: JUNE 26, 2010  
BONDED THRU ATLANTIC BONDING CO., INC.

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that \_\_\_\_\_ personally came before me this day and acknowledged that (s)he is \_\_\_\_\_ of UNITED STATES OF AMERICA, ACTION THROUGH THE RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE, and that (s)he, as \_\_\_\_\_ being authorized to do so, executed the foregoing on behalf of the agency.

WITNESS my hand and official stamp or seal, this the \_\_\_\_ day of \_\_\_\_\_, 2009.  
[SEAL]

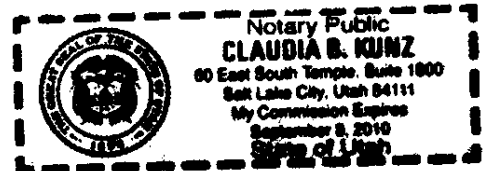
\_\_\_\_\_  
Notary Public  
My Commission expires: \_\_\_\_\_

STATE OF Utah  
COUNTY OF Salt Lake

I, Claudia B. Kunz, a Notary Public of the County and State aforesaid, certify that Kim R. Galbraith personally came before me this day and acknowledged that (s)he is Vice President of U.S. BANK NATIONAL ASSOCIATION, and that (s)he, as Vice President being authorized to do so, executed the foregoing on behalf of the agency.

WITNESS my hand and official stamp or seal, this the 1<sup>st</sup> day of April, 2009.  
[SEAL]

Claudia B. Kunz  
Notary Public  
My Commission expires: 9-8-2010



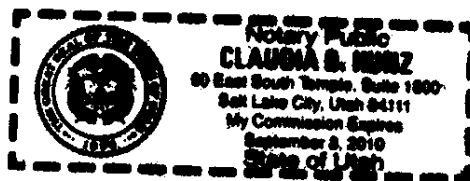


STATE OF Utah  
COUNTY OF Salt Lake

I, Claudia B. Kunz, a Notary Public of the County and State aforesaid, certify that Debra Meyer personally came before me this day and acknowledged that (s)he is Community Program Dir. of UNITED STATES OF AMERICA, ACTION THROUGH THE RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE, and that (s)he, as Community Program Dir. being authorized to do so, executed the foregoing on behalf of the agency.

WITNESS my hand and official stamp or seal, this the 30<sup>th</sup> day of March, 2009.  
[SEAL]

Claudia B. Kunz  
Notary Public  
My Commission expires: 9-8-2010



STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that \_\_\_\_\_ personally came before me this day and acknowledged that (s)he is \_\_\_\_\_ of U.S. BANK NATIONAL ASSOCIATION, and that (s)he, as \_\_\_\_\_ being authorized to do so, executed the foregoing on behalf of the agency.

WITNESS my hand and official stamp or seal, this the \_\_\_\_ day of \_\_\_\_\_, 2009.  
[SEAL]

\_\_\_\_\_  
Notary Public  
My Commission expires: \_\_\_\_\_

**LEGAL DESCRIPTION  
EXHIBIT "A"**

Parcel 1:

Lot 1, Rosecrest Providence Hall Subdivision, according to the official plat thereof, recorded January 29, 2008, as Entry No. 10334598, in Book 2008P, at Page 25 of the official records recorded in the office of the County Recorder of Salt Lake County, Utah.

*The following is shown for information purposes only: 33-07-301-001*

Parcel 1A:

TOGETHER WITH those certain Easements as created in the Covenants, Conditions and Restrictions recorded July 5, 2000, as Entry No. 7673671, in Book 8373, at Page 1559 and Covenants, Conditions and Restrictions recorded July 5, 2000, as Entry No. 7673672, in Book 8373, at Page 1601.

Parcel 1B:

Non-exclusive perpetual right-of-way and easement to lay, maintain, operate, repair, inspect, protect, install, remove and replace sewer laterals, and other sewer collection and transmission structures and facilities as detailed in that Easement, dated January 22, 2008, recorded January 22, 2008, as Entry No. 10327185, in Book 9560, at Page 6788 of the official records