

At the time of placing the development loan, Grantor agrees to furnish a letter of guaranty from the development lender to the Noteholders that adequate funds are on hand for the completion of the development work. ~~regularly placing bonds for~~

~~the completion of construction in Frederick County, Maryland~~

The Noteholders covenant and agree that they will subordinate the lien of said Deed of Trust to the lien of five (5) bona fide construction loans made for a period of TWELVE (12) MONTHS by any bona fide lending institution regularly making loans on the security of residential construction in Frederick County, Maryland. After issuances of the aforesaid construction loans, the lender will disburse EIGHT THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$8,500.00) to FitzGerald, Ridgway and Wilson, P. A. Monies are then to be distributed as follows: TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$2,500.00) to the Noteholders and SIX THOUSAND AND NO/100 DOLLARS (\$6,000.00) to pay off the development loan. Said Noteholders will subordinate said Deed of Trust on the acreage securing Note 1 of 3 to additional bona fide residential construction loans secured on lots provided Noteholders have been furnished with copies of bona fide contracts of sale for lots which had been previously the subject of subordination agreements. Upon the settlement of the contract of sale of any lot so subordinated, or upon occupancy of any improvements built on any lot, said lot shall be released from the lien of the Deferred Purchase Money Deed of Trust upon payment of said sum of EIGHT THOUSAND AND NO/100 DOLLARS (\$8,000.00). Said sum shall take into account the sum paid at the time of subordination of the construction loan.

Note number 2 of 3 in the principal amount of TWO HUNDRED TWENTY-FOUR THOUSAND SIX HUNDRED TWENTY-ONE (\$224,621.00) DOLLARS