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**C-7961  
03/27/2012**

WHEN RECORDED MAIL TO:

Wells Fargo Bank, National Association  
Stacey Hilbert  
2410 South Power Road, 1st Floor  
Mesa, Arizona 85209

FT 11003001#

1/1

**SUBORDINATION AGREEMENT**

This Subordination Agreement (this "Agreement"), dated May 20, 2011, is among the following parties: COMMUNITY BRIDGES, INC., an Arizona non-profit corporation formerly known as East Valley Addiction Council Inc., an Arizona non-profit corporation ("Owners"); the CITY OF GLENDALE, an Arizona municipal corporation ("City of Glendale"); and WELLS FARGO BANK, NATIONAL ASSOCIATION, a California corporation as trustee (together with its successors and assigns, "Trustee") under that Indenture of Trust dated as of May 1, 2011 (the "Indenture"), between the Trustee and the Industrial Development Authority of the County of Pinal (the "Issuer") providing for the issuance of the Issuer's Health Facility Bonds (Community Bridges Projects) Series 2011 (the "Bonds") regarding the property more particularly described on Exhibit "A" attached hereto (the "Property"). The Bonds are being issued to finance and refinance new and existing debt of the Owners.

The Property is subject to the following liens:

1. A note in the original amount of \$500,000 payable to Wells Fargo Bank, National Association (the "2007 Beneficiary") or its order (the "2007 Note"), secured by that Deed of Trust and Assignment of Rents and Leases, dated as of September 19, 2007 and recorded on September 19, 2007 (the "2007 Deed of Trust") at Recorder's No. 2700103903, among the

Owners, as Trustor, the 2007 Beneficiary, as Beneficiary and Wells Fargo Financial National Bank, as Trustee. (The 2007 Note and the 2007 Deed of Trust collectively referred to herein as "Lien 1".)

2. A note in the original amount of \$500,000 payable to the State of Arizona, Arizona Department of Housing ("Arizona Housing") or its order (the "State of Arizona Note"), secured by that Deed of Trust, effective November 12, 2002 and recorded on September 26, 2003, at Recorder's No. 20071039032, as amended by that First Amendment to Deed of Trust dated August 1, 2007 and recorded on September 14, 2007 (as amended, "Arizona Deed of Trust"), among the Owners, as Trustor, Arizona Housing, as Beneficiary and Guaranty Title Agency, as Trustee. (The State of Arizona Note and the Arizona Deed of Trust collectively referred to herein as "Lien 2".)

3. A note in the original amount of \$240,000 payable to Wells Fargo Bank, National Association, Unofficial Document f/k/a Wells Fargo Bank Arizona, N.A. (the "2003 Beneficiary") or its order (the "2003 Note"), secured by that Deed of Trust, dated December 8, 2003 and recorded on December 9, 2003 (the "2003 Deed of Trust") at Recorder's No. 2003166984, among the Owners, as Grantor, the 2003 Beneficiary, as Beneficiary and Guaranty Title Agency, as Trustee. (The 2003 Note and the 2003 Deed of Trust collectively referred to herein as "Lien 3".)

4. A note in the original amount of \$500,000 payable to the City of Mesa (the "City of Mesa") or its order (the "City of Mesa Note"), secured by that Deed of Trust with Assignment of Rents, dated May 19, 2004 and recorded on May 21, 2004 (the "City of Mesa Deed of Trust"), at Recorder's No. 20040569551, among the Owners, as Trustor, the City of Mesa, as Beneficiary and Security Title Agency, as Trustee. (The City of Mesa Note and City of Mesa Deed of Trust collectively referred to herein as "Lien 4".)

5. A note in the original amount of \$300,000 payable to the City of Phoenix (the "City of Phoenix") or its order (the "City of Phoenix Note"), secured by that Deed of Trust (with Assignment of Rents and Security Agreement and Financing Statement Fixture Filing), dated May 18, 2004 and recorded on May 21, 2004 at Recorder's No. 20040569552, as amended by that Amendment to Deed of Trust, dated as of August 11, 2004 and recorded on September 1, 2004 (as amended, the "City of Phoenix Deed of Trust"), among the Owners, as Trustor, the City of Phoenix, as Beneficiary and Guaranty Title Agency of Arizona, as Trustee. (The City of Phoenix Note and City of Phoenix Deed of Trust collectively referred to herein as "Lien 5".)

6. A note(s) in the original amount of \$15,000 payable to the City of Glendale or its order (the "City of Glendale Note"), secured by that Deed of Trust and Assignment of Rents, dated December 6, 2004 and recorded on December 14, 2004 (the "City Deed of Trust") at Recorder's No. 20041466457, among the Owners, as Trustor, the City of Glendale, as Beneficiary and the Land America Lawyers Title, as Trustee. (The City of Glendale Note and the City of Glendale Deed of Trust collectively referred to herein as "Lien 6".)

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The Owners desire the Issuer issue the Bonds, on behalf of the Owners, to be purchased by Wells Fargo Bank, National Association, as initial bond purchaser (together with its successor and assigns, the "Initial Bond Purchaser") and to execute and record that Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated as of May 20, 2011 ("Deed of Trust") among the Owners, as Grantor, the Trustee, as Beneficiary, and Wells Fargo Financial National Bank, as trustee, which will constitute a lien on the Property, to secure the Obligations (as defined in the Deed of Trust) under the Loan Documents (as defined in the Deed of Trust) entered into connection with the Bonds in an amount not to exceed \$4,000,000.

(The Deed of Trust securing the Obligations of the Owners thereunder also referred to herein as "Lien 7".)

As a condition precedent to the purchase of the Bonds, the Trustee, on behalf of the Initial Bond Purchaser, requires that the City of Glendale subordinate its security interest (Lien 6) to Trustee's security interest (Lien 7) created by the Deed of Trust.

**TERMS:**

The Owners, the City of Glendale and the Trustee agree that:

1. Lien 7 and any renewals or extensions thereof, shall unconditionally be and remain a lien on the Property prior and superior to Lien 6.

2. Owners shall pay in full the 2003 Note and the 2007 Note. Upon payment in full, the beneficiary shall cause to be executed and recorded, a release and satisfaction of the 2003 Note, the 2003 Deed of Trust, the 2007 Note and the 2007 Deed of Trust.

3. Unofficial Document  
The Deed of Trust does not secure any other obligations of the Owners other than the Obligations, in amount not to exceed the \$4,000,000 the amount of the Bonds.

4. Notwithstanding any provision herein to the contrary, on the sale, exchange, or other disposition (a "Sale") of the Property set forth on Exhibit B (including but not limited to a sale or foreclosure pursuant to the provisions of Lien 7), the proceeds from such Sale shall be utilized and disbursed in the following order and priority: First, an amount equal to the Priority Amount shall be disbursed by the Trustee and applied by the Trustee in accordance with the terms and conditions of Lien 7. Second, remaining proceeds not in excess of the amount owed to the City of Glendale under the City of Glendale Note shall be paid to and be applied by the City of Glendale in accordance with the applicable provisions of Lien 6. Third, any remaining proceeds shall be disbursed by the Trustee and applied by the Trustee in accordance with the

terms and conditions of Lien 7. For purposes of this Agreement, the Priority Amount shall be \$2,660,000.

TRUSTEE:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: Stacey Hilbert  
Name: Stacey Hilbert  
Its: VP

OWNERS:

COMMUNITY BRIDGES, INC.

By: Dr. Frank Scarpitti  
Name: DR. FRANK SCARPITTI  
Its: PRESIDENT/CEO

CITY:

CITY OF GLENDALE

Unofficial Document Jim Colson  
Jim Colson, Deputy City Manager  
for Development

ATTEST:

[Signature]  
City Clerk

APPROVED AS TO FORM:

[Signature]  
City Attorney

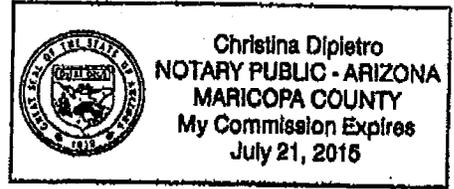
STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this the 2nd day of April 2012 before me, the undersigned Notary Public, personally appeared Stacey Hilbert, who acknowledged him/herself to be the Vice President of Wells Fargo Bank, National Association and that s/he as such official, being authorized to do so, executed the foregoing Agreement for and on behalf of Wells Fargo Bank, National Association for the purpose and consideration therein expressed.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Christina DiPietro  
Notary Public

My Commission Expires:  
July 21<sup>st</sup> 2015



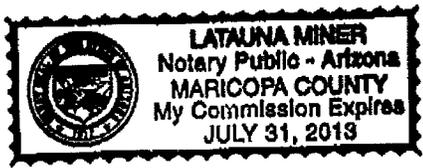
STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

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On this the 10<sup>th</sup> day of April 2012 before me, the undersigned Notary Public, personally appeared Dr. Frank Scappari, who acknowledged him/herself to be the President/CEO of Community Bridges, Inc. and that s/he as such official, being authorized to do so, executed the foregoing Agreement for and on behalf of Community Bridges, Inc. for the purpose and consideration therein expressed.

Latauna Miner  
Notary Public

My Commission Expires:  
7/31/13



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this the 25<sup>th</sup> day of March 2012 before me, the undersigned Notary Public, personally appeared Jim Colson, who acknowledged him/herself to be the Deputy City Manager for Development of the City of Glendale and that s/he as such official, being authorized to do so, executed the foregoing Agreement for and on behalf of the City of Glendale for the purpose and consideration therein expressed.

Diana Figueroa  
Notary Public

My Commission Expires:  
8-15-15



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**EXHIBIT B**  
**LEGAL DESCRIPTION**

**Pennington Place, Mesa, AZ**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

That portion of Tract B, Dobson Ranch Unit Fourteen, according to Book 177 of Maps, page 14, records of Maricopa County, Arizona, described as follows:

Beginning at the intersection of Baseline Road and Pennington Drive as shown on said Dobson Ranch Unit Fourteen;

Thence South 88 degrees 17 minutes 42 seconds West, along the monument line of Baseline Road, 365.59 feet;

Thence South 01 degree 42 minutes 18 seconds East, 55.00 feet to a point on the South right-of-way line of Baseline Road and the point of beginning;

Thence North 88 degrees 17 minutes 42 seconds East, along said right-of-way line, 126.65 feet;

Thence South 01 degree 42 minutes 18 seconds East, 145.00 feet;

Thence North 88 degrees 17 minutes 42 seconds East, 210.00 feet to a point on the West right-of-way line of Pennington Drive and the beginning of a non-tangent curve, concave Westerly, whose radius bears North 88 degrees 33 minutes 17 seconds West, 2274.50 feet;

Thence Southerly, along the arc of said curve to the right and said West right-of-way line, through a central angle of 06 degrees 43 minutes 17 seconds, 266.82 feet;

Thence South 08 degrees 10 minutes 00 seconds West, continuing along said West right-of-way line, 52.35 feet to the Southwest corner of said Tract B;

Thence along the South line of said Tract B, South 88 degrees 32 minutes 58 seconds West, 511.88 feet to a point on the East right-of-way line of a private street and the beginning of a non-tangent curve, concave Westerly, whose radius bears North 87 degrees 11 minutes 53 seconds West, 675.50 feet;

Thence Northerly, along the arc of said curve to the left and said East right-of-way line, through a central angle of 17 degrees 48 minutes 07 seconds, 209.88 feet;

Thence North 15 degrees 00 minutes 00 seconds West, continuing along said East right-of-way line, 19.49 feet to the beginning of a tangent curve, concave Easterly, whose radius bears North 75 degrees 00 minutes 00 seconds East, 907.14 feet;

Thence Northerly, along the arc of said curve to the right and said East right-of-way line, through a central angle of 00 degrees 44 minutes 52 seconds, 11.84 feet;

Thence North 88 degrees 27 minutes 37 seconds East, 236.61 feet;

Thence North 01 degree 27 minutes 02 seconds West, 221.00 feet to a point on the South right-of-way line of Baseline Road and the point of beginning.

PARCEL NO. 2:

A non-exclusive and irrevocable right to use parking facilities as created and set forth in Declaration of Covenants, Conditions, Restrictions and Easements recorded September 17, 1998 in Recording No. 98-0829308. Maricopa County Records.

S. Bellview, Mesa, AZ

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 3:

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Lot 13, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona;

EXCEPT the South 3 feet of the East 110 feet; and  
EXCEPT the North 100 feet of the East 147 feet; and  
EXCEPT the East 4 feet thereof.

PARCEL NO. 4:

Lot 15, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona;

EXCEPT the North 57 feet of the East 110 feet; and  
EXCEPT the East 4 feet thereof.

PARCEL NO. 5:

The South 3 feet of the East 110 feet of Lot 13 and the North 57 feet of the East 110 feet of Lot 15, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona;

EXCEPT the East 4 feet thereof.

PARCEL NO. 6:

The East half of Lot 13, LYDIA ALLEN TRACT, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 29 of Maps, page 21; EXCEPT the South 27.69 feet thereof; and EXCEPT the East 4 feet thereof.

PARCEL NO. 7:

Lot 17, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona; EXCEPT the East 4 feet thereof.

Casa Grande, AZ

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF PINAL, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 8:

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That portion of the Northeast quarter of the Northwest quarter of the Northeast quarter of Section 20, Township 6 South, Range 6 East, of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Beginning at a point which is 161.00 feet West of, and 50.00 feet South of, the Northeast corner of the Northeast quarter of the Northwest quarter of the Northeast quarter of said Section 20;

Thence South 00 degrees 00 minutes 30 seconds West, 150.00 feet;

Thence South 89 degrees 55 minutes 30 seconds West, 120.00 feet;

Thence North, 150.00 feet;

Thence East, 120.00 feet to the Point of Beginning.

PARCEL NO. 9:

That part of the Northeast quarter of the Northwest quarter of the Northeast quarter of Section 20, Township 6 South, Range 6 East, of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Beginning at a point which is 281.00 feet West of, and 50.00 feet South of, the Northeast corner of the Northeast quarter of the Northwest quarter of the Northeast quarter of said Section 20;

Thence South 00 degrees 00 minutes 30 seconds West, 150.00 feet;

Thence South 89 degrees 55 minutes 30 seconds West, 40.00 feet;

Thence North, 150.00 feet;

Thence East, 40.00 feet to the Point of Beginning.

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**EXHIBIT B**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA AND IS DESCRIBED AS FOLLOWS:

**PARCEL NO. 1:**

Lot 13, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona;

EXCEPT the South 3 feet of the East 110 feet; and

EXCEPT the North 100 feet of the East 147 feet; and

EXCEPT the East 4 feet thereof.

**PARCEL NO. 2:**

Lot 15, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona;

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EXCEPT THE North 57 feet of the East 110 feet; and

EXCEPT the East 4 feet thereof.

**PARCEL NO. 3:**

The South 3 feet of the East 110 feet of Lot 13 and the North 57 feet of the East 110 feet of Lot 15, LYDIA ALLEN TRACT, according to Book 29 of Maps, page 21, records of Maricopa County, Arizona;

EXCEPT the East 4 feet thereof.

PARCEL NO. 4:

The East half of Lot 13, LYDIA ALLEN TRACT, according to the plat of record in the office of the County Recorder of Maricopa County, Arizona, recorded in Book 29 of Maps, page 21;

EXCEPT the South 27.69 feet thereof; and

EXCEPT the East 4 feet thereof.

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